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## Sweden to Swing Back To Socialist Leadership As Conservatives Fail

By Fred Barbash  
Washington Post Service

STOCKHOLM — Swedish voters ended their brief romance with a non-Socialist government Sunday, boosting a three-year-old conservative coalition from office.

Prime Minister Carl Bildt conceded defeat in the election, which will restore the Social Democrats to dominance.

"The responsibility for the government goes to Ingvar Carlsson," Mr. Bildt told supporters.

Mr. Carlsson's party was leading in preliminary results, with nearly 46 percent of the vote counted, Swedish television reported.

"Chances of forming a majority government are not too good," said Mr. Carlsson, who was prime minister from 1986 to 1991.

The center-right coalition took 40.8 percent of the votes in 396 of the 711 districts counted.

The Social Democrats will have the support of the former Communists, who were won 6.1 percent of the vote, and the Greens, who had 5.2 percent. Put together, the parties will have a 56.8 percent majority in Parliament if the trend continues.

Though Mr. Carlsson is from the party that created Sweden's welfare state, no one expects a glorious restoration. Heavy spending cuts will still be necessary to keep the indebted government afloat and restore the shattered confidence of business and the markets.

The defeat of Mr. Bildt's coalition was no surprise. Mr. Bildt inherited the beginnings of the downturn and had been, in fact, elected partly because of it, in 1991. But then the situation got worse than many had expected.

Ultimately, unemployment tripled to 14 percent, government indebtedness reached 90 percent of the gross national product, and the krona took a huge hit on the money markets.

The government began tinkering with the cornucopia of health, welfare, housing, pension and family support benefits

that provide income for fully 60 percent of the country's voters.

In the campaign, Mr. Bildt argued, accurately, that the economy was improving. But opinion polls showed that Swedes longed for a return to what they perceived as "a lost paradise" in the words of a pollster, to the prosperity and security they had enjoyed for generations.

Surveys and interviews at polling stations suggested that while most did not blame Mr. Bildt for the economic troubles, they remained deeply worried about the way he was trimming benefits and about promised "structural reforms."

Mr. Bildt talked and acted like a businessman and won many supporters in Sweden's corporate community and among its growing entrepreneurial class. At one point, he declared that the long-admired "Swedish model" of government belonged on the "scrap heap of history."

But this did not sit well with many Swedes, especially coming from a boyish-looking 45-year-old perceived by many as too glib and too smart for his own good.

"He's a smart guy," said Annika Quackfeldt, 26, after she cast her ballot against Mr. Bildt at a precinct just north of central Stockholm. And he took office "at a moment when the economy was going down," she said. "But I care very much about hospitals and schools and all the people who have needs." The Social Democrats, she said, "will support the welfare that we have here. I want to keep it the way that we have it."

"I voted for the Social Democrats," said Alind Rimalmqvist, 64, a retired domestic worker. "I'm the working class."

Mrs. Rimalmqvist, like many others, said she did not blame the economic situation on the Bildt government. "It's not very easy to be in a position of doing something. It's the times," she said. Cuts "have to come," she said, "but it's a pity."

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## Carter, Extending Talks in Haiti, Warns Military Chiefs of Danger

### Despite Delay, U.S. Force Ready to Move Their Families And the Army Are at Risk, U.S. Team Says

Compiled by Our Staff From Dispatches

WASHINGTON — Pentagon officials insisted Sunday that the combat readiness of the invasion force steaming off Haiti would not be affected by the delay caused by last-minute negotiations being conducted by former President Jimmy Carter.

"Our men and women are fully prepared to execute the commission the president has given them," General John M. Shalikashvili, chairman of the Joint Chiefs of Staff, said in a television interview.

Asked whether there was any time limit on how long U.S. forces could stay at the ready, General Shalikashvili replied, "I don't think there is any specific window." He added, "I don't think it's an issue now of how long they can stay poised."

Defense Secretary William J. Perry also said the troops were ready for the invasion. He visited the Wasp, one of the assault ships in the task force, over the weekend.

"I can say with very great clarity that we are ready, we are ready with overwhelming force," Mr. Perry said. "Even if we have an agreement, we are going in with a military force capable of defending itself."

Even if the Carter mission succeeds, U.S. officials said, troops will land anyway to revamp the army, train a new civilian police force and smooth the way for the restoration of the government of President Jean-Bertrand Aristide, who was overthrown in 1991.

General Shalikashvili said that the U.S. troops were preparing for "hit-and-run" attacks by Haitians that could cause U.S. casualties. "In any operation of this size we have to be prepared for casualties," he said, adding, "We have been preparing for it."

General Shalikashvili said the Defense Department had structured an "over-

whelming force which by its very nature will minimize those risks."

He said the rules of engagement allowed U.S. troops to defend themselves if they were attacked by mobs or armed people.

General Shalikashvili also said the primary mission of the American troops would be to remove the military-controlled government, not to launch a search for the country's military leader, Lieutenant General Raoul Cédras, or other military figures.

"We are not in the business of manhunts against any specific individual," General Shalikashvili said.

The officials spoke as a fleet of about 20 U.S. warships, including two aircraft carriers and 6,000 troops, sailed off Haiti awaiting orders from President Bill Clinton to move. Military officials have said that up

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Former President Carter in Port-au-Prince on Sunday, accompanied by General Powell, at rear, and Senator Nunn.

## Financial Roller Coaster Set for One More Plunge

By Carl Gewirtz  
International Herald Tribune

PARIS — The good news is that the roller-coaster ride in prices of financial assets may be ending. The bad news is there is likely to be one stomach-churning drop before it's over.

What makes the spill exciting is the uncertainty about what will set it off. Analysts have cited the possibilities:

- Another half-point increase in U.S. interest rates.
- U.S. imposition of trade sanctions against Japan if bilateral talks fail by the Sept. 30 deadline.
- Political upsets in Germany and the United States.

The German state election in Bavaria on Sept. 25 is expected to signal how Chancellor Helmut Kohl and his coalition partners will fare in the Oct. 16 federal election. Fear of an upset is already evident in the foreign exchange market.

In the United States, the Democrats are expected to perform poorly in the Nov. 8 congressional election, but a loss of control of both houses of Congress would threaten stalemate in the final two years of Bill Clinton's presidency.

Any doubt about whether the Federal Reserve Board needs to tighten policy appeared to dissolve Friday after the report that capacity use in manufacturing rose to 84.7 percent last month, the highest since April 1989. A reading of 85 percent is

regarded as the threshold where production bottlenecks emerge, enabling manufacturers and retailers to raise prices.

A higher-than-expected 0.7 percent increase in August industrial production settled the debate about whether the accumulation of inventories in the second quarter was a sign of an impending slowdown.

For J. P. Morgan analysts, the data confirm that "inventory accumulation was either concentrated in imports or voluntary, as weaker output would have been evident by now if the stockpiling had been involuntary."

Prices of U.S. stocks and bonds fell sharply on Friday's news, dragging down European markets that were still open.

The only question is how soon the Federal Reserve Board will act. The next policy meeting is Sept. 27. It could lift the benchmark cost of overnight money, now 4.75 percent, by a quarter point and await the Oct. 7 report on September employment before adding another quarter. It also could go for the full half-point increase in September, or wait until its Nov. 15 meeting.

The waiting will be pernicious for the bond and equities market. In turn, that will keep the dollar under pressure. Financial markets in Europe also will suffer.

"Stay defensive on all bond and stock markets," said Christopher Potts at Bankers Trust.

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## A Liberation Legacy: South Africa's Witch Murders

By Bill Keller  
New York Times Service

NOBODY, South Africa — On the Sunday in April when South Africa was counting the votes of its first free elections, residents of this town with the self-offering name accosted Sinna Mankwane in front of her home and pinioned her arms with three gasoline-splashed tires.

According to witnesses' accounts, the mob summoned her husband, Johannes, from the house and handed him a box of matches. With the couple's son and daughter looking on, Johannes was forced to burn his wife alive.

After watching her die in agony, the neighbors dispersed, but the next Tuesday

they were back. They doused her husband with gasoline and set him aflame inside his house. They stoned and tortured the 21-year-old daughter, Martha, before incinerating her, and then hunted down the 17-year-old son, Frank, and finished him off.

The Mankwanes were not victims of a political feud or ethnic hate. They were accused of having cast a lethal spell on a neighbor.

In this season of South Africa's rebirth, the rural villages of the dry northeast have been seized by a passion for witch burning unlike anything seen here before.

The mood appears to be very much a by-product of South Africa's liberation. For the surprising thing about these killings is that in most cases the mobs are led not by

tribal elders upholding ancient tradition but by young militants — "comrades," in the South African vernacular — steeped in vigilante passions by the struggle against white rule.

The police say they know of 73 people who have been put to death as witches this year in one area alone, the former apartheid reservation called Lebowa, created as a "homeland" for 2.7 million Northern Sotho people. The total number killed is believed to be much larger.

Leaders of the African National Congress, tribal elders and the police see the killings as a symptom of the breakdown of authority and the cheapening of life that hardened a generation raised on defiance.

"Our young people realized that in changing things in this country they would use whatever means they have at their disposal," said Mokopane Matsaung, 38, the chairman of the civic association in Nobody, a town of several thousand people named for the emptiness blacks found when they were first removed to the site in the 1960s. The civic association is affiliated with the African National Congress.

Even the rituals of modern witch killing come not from tradition but from the struggle. The burning is often preceded by a chanting *royi-royi*, the war dance of political protest, and is carried out with the gasoline-filled tire — the "necklace" —

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## Kiosk Stop Sarajevo Battle, UN General Warns

SARAJEVO (Combined Dispatches) — Lieutenant General Michael Rose, the UN commander in Bosnia, warned the Bosnian Army and Serbian forces on Sunday to stop fighting around Sarajevo, the Bosnian capital, immediately or face NATO air strikes.

Meanwhile, in northeast Bosnia, Serbs expelled 1,700 Muslims in a wave of "ethnic cleansing," with refugees fleeing to Tuzla, UN officials said. (APR, Reuters)

Books Bridge Page 4, Page 4.

Newsstand Prices	
Andorra.....9.00 FF	Luxembourg 60 L. Fr
Antilles.....11.20 FF	Morocco.....12 Dh
Cameroon.....1.400 CFA	Qatar.....8.00 Riels
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Jordan.....1 JD	U.A.E.....8.50 Dirh
Lebanon.....US\$ 1.50	U.S. Mil. (Eur.) \$1.10



Sarajevans waiting Sunday for water from a pipe spanning the Miljacka, as Serbs kept up a utility blockade.

## Truth About 1947 Crash As Strange as UFO Myth

By William J. Broad  
New York Times Service

NEW YORK — A mysterious 1947 crash in the New Mexico desert that became legendary among flying-saucer fans and cover-up theorists turns out to have involved something nearly as strange as an alien spaceship.

The wreckage, quickly whisked away by the U.S. Air Force, was part of an airborne system for atomic-age spying that was invented by a leading geophysicist and developed by Columbia University, New York University and the Woods Hole Oceanographic Institution, according to an air force report and persons familiar with the once-secret project.

The program, Project Mogul, and its goal, set by a postwar United States wary of losing its atomic monopoly, was to search high in the atmosphere for weak reverberations from nuclear-test blasts half a world away.

The debris, found near Roswell, New Mexico, was a smashed part of the program's balloons, sensors and, of most consequence to the growth of spaceship theo-

ries, radar reflectors made of thin metal foil.

At the time, the air force said the wreckage was that of a weather balloon. But over the decades, the incident grew to mythic dimensions among flying-saucer cultists.

The United States, they said, had possession of alien bodies and of otherworldly gear that was incredibly thin and strong. The government, they charged, made death threats to keep knowledgeable people quiet. It studied extraterrestrial craft to learn the secrets of making stealth bombers and fiber-optic communications networks. Roswell was the greatest of all governmental cover-ups.

On Sept. 8, after an eight-month investigation, the air force issued a thick report that to all appearances deflates the conspiracy theory. Of course, ardent flying-saucer fans say the cover-up continues.

"This won't lay it to rest," said Albert C. Trakowski, a retired colonel who as an air force officer had run Project Mogul. "The psychology is simple: People believe what they want to believe. In New Mexico, fly-

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## Q & A: Two Cheers for Vatican From a Spanish Theologian

Has the Vatican emerged weakened from its high-profile but deeply contested interventions at the United Nations population conference in Cairo and in the former Yugoslavia? Enrique Miret Magdalena, a Spanish theologian and author, discussed the issues with Barry James of the International Herald Tribune.

**Q.** How effective was the Vatican's role at Cairo?

**A.** At first it denied birth control on principle, along with abortion, of course. Then, little by little, as the documents were modified, it ceded ground and somehow, at the end, accepted birth control. It played a good role in establishing that abortion should not be used as a method of birth control.

**Q.** But it has not given ground on artificial contraception.

**A.** Responsible paternity has been fully accepted by the Catholic Church since Pius XII, and particularly since the second Vatican council. Where I disagree with the Vatican, and I believe most Catholics are with me, is over its

obsession with methods. The hierarchy makes a huge mistake when it starts to say which methods are acceptable and which are not. I believe these distinctions between artificial and non-artificial are completely out of date. Without artificial developments, in medicine, for example, mankind would not have progressed.

**Q.** Do you accept the criticism that the Vatican in a sense hijacked the Cairo conference by turning it into a debate on abortion?

**A.** It did concentrate excessively on the question. Abortion is negative, a bad thing. But how can you say that it should never be tolerated when democratic states allow it by law in extreme cases, as is the case in Spain where all the polls show that people want to keep it?

**Q.** By extreme you mean abortion in cases of rape, incest or where the mother's life is at risk?

**A.** Yes. If you study the history, particularly the 16th century, you will find there have been many Catholic moral theologians who accepted abortion in extreme cases, as does our law. The church should say that Catholics should not resort to abortion, but only as general guidance. Nothing more.

**Q.** Some critics say that Pope John Paul II is influenced by the conservative Opus Dei, which was founded in Spain and has much of its strength there. Do you agree?

**A.** Yes. The Pope is excessively under the influence of the Opus Dei, which has always adopted a rigid posture on birth control and abortion. The Opus Dei wields great power in the Vatican. Its chief spokesman is a member of the organization, and it was he who intervened most directly in Cairo.

**Q.** Is the Vatican losing its diplomatic touch?

**A.** The visit to Croatia was certainly undiplomatic. Since it was not considered wise for the Pope to go to Sarajevo, he should have avoided going to ex-Yugoslavia at all, because everyone thinks he favored only one side. We should not forget recent history in ex-Yugoslavia.

It was always said that the Vatican had great political intelligence, or diplomatic abilities, which seem to be failing at the moment. Concretely, its actions in ex-Yugoslavia would have been unthinkable a few years ago. This is not the only case. For example, when the Berlin

Wall fell and the East opened up, the first thing that occurred to the Pope—who until that time had spoken only of ecumenism—was to name Catholic bishops in the Orthodox regions of Russia. The Orthodox Church asked where was the ecumenism if the result meant that the Catholic Church came to compete with it.

**Q.** Is the Vatican going to be able to hold back rising demands from women for greater equality in the church, even including the priesthood?

**A.** No. The presence and demands are generalized throughout the Catholic world. This is not a mere feminist issue, as some people say. It is simply that women rightly want equality at all levels, including in the church. The role of women is being discussed theologically, and we should have the patience to find out where these discussions lead. The Pope has tried to cut these discussions off, and state that the matter is definitely closed. This is misleading and creates confusion, because it is not an ex cathedra, or definite, decision of the whole church.

## WORLD BRIEFS

### Léotard Faults Mitterrand on Vichy

PARIS (Reuters) — Defense Minister François Léotard on Sunday joined a growing chorus of criticism of President François Mitterrand's recent discussions of his ties to the collaborationist Vichy regime during World War II.

"Those who say that they didn't know, those who think that it was less serious than people thought, they — whether they like it or not — are putting themselves on the same side as the oppressors," Mr. Léotard said on French television.

On Saturday, Interior Minister Charles Pasqua said he was saddened by what he saw as Mr. Mitterrand's attempt to rewrite the history of the era and his portrayal of wartime France as "a beaten, divided and consenting" nation. Mr. Mitterrand, a Socialist whose second term ends in May, shares power with the conservative cabinet that includes Mr. Léotard and Mr. Pasqua.

### 2 Shiite Factions Battle in Kabul

KABUL (Reuters) — Shelling and mortar fire boomed across the Afghan capital Sunday, and witnesses said jets had struck targets in the southwestern sector of the city, where Shiite Muslim factions had been battling for five days.

At least 80 people have been killed and more than 500 wounded since the fighting between the Islamic Movement and the Islamic Coalition Council began Wednesday, hospital sources said.

Forces loyal to President Burhanuddin Rabbani have fought on the side of Islamic Movement. Those loyal to Prime Minister Gulbuddin Hekmatyar and the warlord General Abdul Rashid Dostum were backing the Islamic Coalition Council. Details of the fighting were scant, and there was no independent word on which faction had the upper hand.

### Burundi Parties Set Election Rules

BUJUMBURA, Burundi (Reuters) — Pro-government and opposition parties have agreed on the method of electing a new president following weeks of talks overshadowed by ethnic violence, Burundi radio reported.

Under the agreement, signed by nine parties, candidates for the presidency will be registered over the next four days. The National Assembly, which is dominated by the Hutu majority, will then select the new head of state from candidates put forward by Burundi's deeply divided parties.

Burundi's first democratically elected president, Melchior Ndayizeye, a Hutu, was assassinated last October in an abortive coup attempt by members of the Tutsi-dominated army. His successor, Cyprien Ntaryamira, also a Hutu, was killed along with President Juvénal Habyarimana of Rwanda in a rocket attack on their plane April 6. That attack set off the summer's crisis in Rwanda, which, like Burundi, had been ruled for centuries by the Tutsi minority.

### Major Is on Way to South Africa Tour

LONDON (AFP) — Prime Minister John Major left London on Sunday for Saudi Arabia at the start of a three-nation tour that will take him to South Africa for the first visit there by a British prime minister in more than 30 years.

He was due for talks in Jidda with King Fahd late Sunday before heading for Abu Dhabi on Monday for talks with the head of state, Sheikh Zayed bin Sultan al Nahayan.

Mr. Major's delegation, comprising several businessmen and sports personalities, will arrive in Cape Town on Tuesday and leave South Africa on Thursday.

### Pakistan Floods Kill More Than 300

ISLAMABAD, Pakistan (Reuters) — Floods caused by heavy monsoon rains that began last month have killed more than 300 people in Pakistan, Information and Broadcasting Minister Khawar Kharal said Sunday.

More than 83,000 houses have been destroyed, Mr. Kharal said after a cabinet meeting. He said the death toll was 333. The floods have affected 4,159 villages in all of Pakistan's four provinces and damaged cotton and rice crops. The cabinet approved a grant of 500 million rupees (\$16.33 million) for food relief.

### For the Record

Wole Soyinka, the Nigerian writer who was awarded the Nobel Prize in Literature in 1986, denies being under government surveillance, as had been reported, diplomats said. (AFP)

Heavy rains swept across Japan, bringing relief to drought-stricken areas but causing floods in Tokyo where train delays stranded more than 30,000 people. (Reuters)

## TRAVEL UPDATE

### Hope for U.K. Rail Settlement Rises

LONDON (Reuters) — A 14-week labor dispute that has disrupted Britain's railroad network may soon be over, newspapers reported Sunday.

Railroad signallers have held a series of 24- and 48-hour strikes every week since June in one of the bitterest industrial conflicts in Britain in the last decade. The next 24-hour strike is scheduled for Friday.

The Sunday Telegraph and The Independent on Sunday said the head of the signaller's union, Jimmy Knapp, was seeking backing from the union executive to negotiate with Railtrack on productivity as well as the signallers' demand for a raise to compensate for past productivity gains. Parallel negotiations on those issues could bridge the gap between the two sides, the papers said.

A crew of 28 Russian sailors has been placed in quarantine in Hamburg after their captain developed symptoms of cholera, a health official said. The sailors, who had arrived by bus from southern Russia, were being tested. They had been scheduled to relieve the crew of a Russian cargo ship in Hamburg. (AFP)

U.S. aviation experts and Vietnamese officials begin two days of talks Monday aimed at establishing direct passenger flights between the two countries. Four U.S. airlines — Delta, United, Northwest and Continental — have shown strong interest in flying to Vietnam. (AP)

A local legislator from Bali has urged the Indonesian government to build a bridge between Java and the resort island because of long delays at ferry loading points, the official Antara news agency said. (Reuters)

### This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Chile, Sri Lanka.  
TUESDAY: Israel, Taiwan.  
WEDNESDAY: Armenia, Belize, Hong Kong, Korea, Macao, Malta.  
THURSDAY: Bhutan, Mali.  
FRIDAY: Japan.  
SATURDAY: Dominican Republic.

Sources: J.P. Morgan, Reuters.

## Germans Go on Terrorist Alert

### Palestinian Group Reportedly Targets Jewish Leaders

By Stephen Kinzer

BERLIN — The police are on high alert after a report that a Palestinian terrorist group is planning to attack Jewish leaders, businesses and community centers.

For more than a week, police officers wearing bulletproof vests and armed with automatic weapons have been conspicuously standing guard along a stretch of the Kurfürstendamm, Berlin's main shopping street, where several Jewish-owned businesses are located. People entering shops and parking lots have been subject to random identity checks.

Dozens of officers are also on guard in front of the city's historic synagogue on Oranienstrasse. The synagogue was heavily damaged in the 1938 Nazi rampage known as Crystal Night, and it has recently reopened after several years of renovation. This weekend, the block where Berlin's main Jewish community center is located was closed to all traffic.

A spokesman for the Interior Ministry in Brandenburg, the state that surrounds Berlin, said security had been stepped up at Jewish cemeteries and other possible targets. The area around the Israeli Embassy in Bonn has been blocked off.

A report in the news magazine Focus said police investigators in Bonn had "very concrete" evidence that a group headed by Abu Nidal, a Palestinian terrorist, was seeking to kill Ignatz Bubis, the leader of Germany's main Jewish organization.

Mr. Bubis has become prominent on the German political scene. He often makes speeches warning against anti-Semitism and other forms of xenophobia, and last year admirers promoted him as a candidate for president of Germany until he announced that he would not accept the job.

A spokesman for the federal prosecutors, Rolf Hannich, confirmed that the police had received information about

possible attacks by the Abu Nidal group. He said detectives had searched several houses in Berlin.

Bernd Schmidbauer, a senior aide to Chancellor Helmut Kohl, said he was not certain whether the searches would deter planned terrorist attacks. "We may have been able to prevent something very bad," Mr. Schmidbauer told the newspaper Bild am Sonntag. "But that does not mean the danger is past. The government is continuing to concern itself intensively with the protection of Israeli establishments."

The terrorist group led by Abu Nidal is said to have been responsible for killing or wounding numerous people in at least 20 countries. Its actions are believed to include the 1982 shooting of the Israeli ambassador in London, Shlomo Argov, which touched off Israel's invasion of Lebanon. The German authorities say they believe that the group is also responsible for a 1985 bomb attack on Frankfurt airport in which three died.



'PROST' — The head of Bavaria's Social Democrats, Renate Schmidt, quaffing a liter of Oktoberfest beer as the annual German event got rolling in the Bavarian capital, Munich.

## Center to Focus on U.S.-Berlin Ties

New York Times Service

BERLIN — A group of prominent Americans and Germans has announced plans to build an American Academy here, part of a web of projects intended to assure that Berlin's ties to the United States do not weaken over the years ahead.

The academy, which is to open in 1996, will be a center for scholars from the United States, Germany and Central Europe.

To show that the United States intends to remain active

here, U.S. officials have begun projects that are envisioned as the basis of a new and stronger economic, political, cultural and strategic relationship.

"We have got a massive effort under way to demonstrate to Berlin, to Germany and the world that we are not pulling out in any real sense," said Richard C. Holbrook, the U.S. ambassador to Germany. "All that is leaving Berlin are a couple of hundred soldiers who are no longer needed."

"There's a real strength and a real emotion in the feeling that Germans, and especially Berliners, have toward the United States. Logically, these ties will gradually attenuate and become more distant. Memories of the airlift and 'Ich bin ein Berliner' will fade like Genghisburg and the Battle of the Bulge. What we are doing now is building a series of institutions that will guarantee that this relationship doesn't fade along with the memories."

## Berlusconi Coalition Member Derides State TV Appointees

The Associated Press

ROME — A storm of criticism arose Sunday over new appointments at the state television networks, dividing the government and showing that Italy's airwaves are still fierce political battlegrounds.

The matter took on special urgency given the fact that Prime Minister Silvio Berlusconi's financial empire, Fininvest, controls the three main private channels, which compete with the three state channels of RAI-TV.

The uproar was the latest in a series of disputes between Mr. Berlusconi and his coalition ally, the Northern League. The feuding has gone on since the government's inception in May and has kept it in an almost permanent state of controversy.

The RAI board of directors,

considered sympathetic to Mr. Berlusconi, on Saturday named a slate of veteran RAI executives and onetime employees of Berlusconi-controlled news outlets to run the networks, their news and sports divisions and the state radio. They replace managers appointed under the previous government.

The Northern League, angered that none of its choices had been appointed, threatened to block financing for the heavily indebted broadcasting company.

The new managers are "all morally disqualified people, because in reality they are part of the old regime," newspapers quoted the Northern League leader, Umberto Bossi, as having said. He asserted that Mr. Berlusconi now controlled six networks.

## Britain Urges U.S. to Bar Visit By IRA Official

Agence France-Press

LONDON — The British government urged the United States on Sunday not to grant an entry visa to Gerry Adams, the leader of the Irish Republican Army's political wing, Sinn Féin, saying that the IRA had not made clear whether its cease-fire was "permanent."

A government spokesman said that granting a visa to Mr. Adams would be unwise "at a time that would inflame opinion in Ulster," adding that the Sinn Féin leader "should be asked to clarify whether the cease-fire is permanent or not."

The British government is anxious to deny Mr. Adams another propaganda coup like the one he had in February during his last U.S. visit, when he was interviewed on the major television networks. He had been granted a 48-hour visa.

The Sunday Times reported that President Bill Clinton would authorize Mr. Adams's visit during the coming week without requiring the Sinn Féin leader to declare the cease-fire permanent. It said Prime Minister John Major had asked Mr. Clinton in a personal message to deny the visa. Mr. Adams is barred from the British mainland.

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Antigua (Available from public card phones only.) 42	Dominican Republic 1-800-751-8024	170	Israel 358-6770	108	Kenya (Available from most major cities.) 080011	800-MCI(800-424)	600-424	425-0024	155-0222	0800-0112	95-800-674-7000	19-00-19	06-622-81-22	001-800-950-1022
Argentina 001-800-333-1111	Ecuador 001-800-421-0006	170	Israel 358-6770	108	Kenya (Available from most major cities.) 080011	800-MCI(800-424)	600-424	425-0024	155-0222	0800-0112	95-800-674-7000	19-00-19	06-622-81-22	001-800-950-1022
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# THE AMERICAS / AFTER A CRASH

## Vultures or Helpers? Lawyers Canvass Victims' Families

By Benjamin Weiser

Washington Post Service

NEW YORK — It has become a grim ritual played out after most mass disasters in the United States — the mad dash by lawyers to sign up clients — and the USAir crash on Sept. 8, which seems to have spawned one of the most intense competitions, has engendered not only bitterness among some families but also a debate among lawyers.

"I think the whole thing is disgusting," said Lee Kreindler of New York, whose firm has long represented air disaster victims and their families.

"The whole concept of solicitation turns my stomach," he said. "The client usually ends up with the wrong lawyer. It's unprofessional. These clowns go around and make lawyers appear to be charlatans."

Joe Koon Jr., the son of a West Virginia man who was one of the 132 killed in the Pennsylvania crash, said he has received four or five calls and

another four or five letters and packages from lawyers seeking to represent his family.

"They're vultures, that's basically what they are," he said. "This isn't a used-car kind of deal."

He said he was particularly bothered by one caller who claimed to be a survivor of a 1991 USAir crash who tried to make "a big sales pitch for his attorney."

Mr. Koon said he has tried to keep the contacts from reaching his mother, the victim's widow. "If my mom had taken the phone call," he said, "she would have gone ballistic."

Dennis Dickson of Pennsylvania, whose wife died in the crash, said he received a call from a man who identified himself as an agent for a professional football player and tried to recommend some lawyers.

"You'd think he could have waited a little longer," Mr. Dickson said. "He didn't have to call me the second day of the accident."

"Every time there's a major disaster," said Stephen Gillers, a New York University law professor who has written extensively on professional ethics, "there's a debate about soliciting, whether it's Bhopal or Exxon Valdez or a plane crash."

He said the debate often pits long-established, high-profile firms, which wait for litigants to come to them, against more upstart attorneys who push aggressively for cases.

"The whole thing comes down to economics dressed up as ethics," Mr. Gillers said.

Indeed, since the USAir crash, a number of leading aviation lawyers retained by families of victims said they intentionally did no soliciting but waited for referrals from other firms.

"I don't feel it's morally right to contact a family in their hour of grief to say, 'Here I am, a lawyer,'" said Gerard Lear, who represented eight families in the 1992 crash of a USAir jet. He has been referred one case from

the crash of last week. "You don't want to be perceived as an ambulance chaser."

Stanley Chesley of Cincinnati, who was lead counsel in the trial for the 1992 crash, said he had been retained by several families in the most recent crash. "The only way we get cases is the old-fashioned way: referrals from counsel, probate lawyers, corporate counsel."

John Doherty, chief counsel for the disciplinary board of the Supreme Court of Pennsylvania, said he was looking into an allegation that a lawyer "supposedly converged upon a church where there was a memorial service and made a pest of himself and was escorted out."

Mr. Doherty also said he had received a call from a relative of a victim who described an attorney's telephone solicitation.

But other lawyers defend the aggressive approach.

One, John P. Coale of Washington, said he obtained the passenger list from the Sept. 8 crash and had already telephoned about 30 victims' families, asking whether they would be interested in receiving information about his firm. Only few refused.

"It's hardly disgusting. There's no solicitation," he said, adding, "It's very low-keyed, so there is no pressure."

Mr. Coale said lawyers who criticize his tactics were being "condescending."

"There is no way that these passengers have to find out who's experienced," he said.

Jon Duncan filed the first lawsuit in the Sept. 8 crash on behalf of the family of the Reverend Joel Thompson of Illinois.

The lawyer said that his firm, which handles the family's legal matters, does "not pretend to be an aviation law firm." It will eventually bring in more specialized aviation lawyers, he said. But at least his clients will not continue to be harassed by other lawyers, he said.

### Away From Politics



Heather Whitestone, Miss Alabama, left, as it was announced that she had been named Miss America. With her was Cullen Johnson, Miss Virginia, first runner-up.

• A dancer from Alabama who had lost most of her hearing in infancy won the 68th annual Miss America Pageant, becoming the first contestant with a disability to do so. Heather Whitestone, 21, had won in both the talent and swimsuit categories in preliminary competition. Her platform was, "Youth Motivation: Anything Is Possible."

• The University of New Hampshire acted wrongly when it suspended a professor for sexual harassment after seven female students complained about comments he had made during a writing class, a judge has ruled. A U.S. District Court judge in Concord, New Hampshire, ordered the university to reinstate the professor, J. Donald Silva, who was suspended in 1992.

• The six astronauts aboard the shuttle Discovery spent an extra day in space studying the effects of shuttle exhaust while a \$25

million laser showered Earth with flashes of green light. The mission had been scheduled to end Sunday, but the astronauts conserved enough power for a 10th day. Landing was set for Monday.

• A woman has been sentenced to death in Los Angeles for hiring a hit man to kill her husband then arranging to have the hit man killed. Mary Ellen Samuels, 47, was convicted on July 1 on two counts of murder.

• A U.S. Air Force A-10 attack jet crashed during a training exercise at Fort Irwin, California, killing the pilot, who was the only person aboard.

• The house where Margaret Mitchell wrote most of "Gone With the Wind" was gutted by fire. The novelist lived in the Atlanta building in a first-floor apartment with her husband from 1926 to 1932. She referred to the house as "The Dump."

## Harriman's Heirs Sue Widow

### Ambassador Cited in Disputed Trust Fund Investments

By Jan Hoffman

New York Times Service

NEW YORK — A long-simmering family feud among the heirs of W. Averell Harriman has erupted in federal court.

Trustees for the daughters, grandchildren and great-grandchildren of the late New York governor and U.S. diplomat sued his widow, Pamela Harriman, now the U.S. ambassador to France.

They contend that she squandered more than \$30 million from their trust funds on high-risk investments, including an ill-fated resort.

Also named in the suit, made public Friday in federal court in Manhattan, were Clark M. Clifford and Paul C. Warneke, Mr. Clifford was secretary of defense and Mr. Warneke was an assistant secretary of defense under President Lyndon B. Johnson.

Mr. Harriman appointed them as trustees of a variety of trust funds for his heirs, some set up in 1984 and others created through his estate after his death in 1986 at the age of 94.

Mrs. Harriman, who inherited half of the \$65 million estate outright, was also appointed a trustee.

Mr. Clifford, 87, one of Washington's most influential power brokers before he was splashed by the scandal involving the Bank of Commerce & Credit International, said last

week that he had not yet read the complaint. "I assume it involves certain discretionary investments," he said.

"We have conducted the affairs honestly these many years and we do not believe there is a basis for the heirs to complain about the management of the trust," he added.

He and Mr. Warneke remained trustees of a maze of funds until February, when they were replaced by Charles C. Ames, a Massachusetts lawyer who is married to Mr. Harriman's granddaughter, Kathleen Fisk Ames.

Mr. Ames and another trustee, W. Nicholas Thorndike, filed the suit on behalf of the heirs.

The suit claims that the lawyers had promised to invest wisely, and indeed the \$13 million had grown to \$25 million by 1989. But, the suit contends, the trustees began to make increasingly risky investments.

One such venture was \$21 million to the Seasons Resort and Conference Center at Great Gorge in Vernon Valley, New Jersey, which the complaint describes as a "long-troubled hotel and real-estate project."

The suit said that among the companies financing the project was one partly owned by Robert E. Brennan, founder of the defunct First Jersey Securities Inc., who faces securities fraud charges.

The suit also said that the defendant failed to tell the heirs that large amounts of the estate's money had been pledged to secure loans on risky investments.

Neither Mr. Warneke nor Mrs. Harriman could be reached for comment. Sandra McCarty, a press officer at the State Department, said she had no information about the suit.

"We don't have anything here to say about it," she said. "This sounds to me a personal matter for the ambassador."

Mr. Harriman's two daughters, Mary A. Fisk and Kathleen L. Mortimer, who are now in their late 70s, are his children from an earlier marriage. Mrs. Harriman, 74, who had previously been married to Winston Churchill's son and also to the theater and movie producer Leander Hayward, married Mr. Harriman, a former ambassador to the Soviet Union and Britain, in 1971.

But Mrs. Harriman, who in recent years was a major fundraiser for the Democratic Party, as well as its social hostess and veritable matriarch, did not get along with his daughters and grandchildren, said Christopher Ogden, who wrote "Life of the Party: The Biography of Pamela Digby Churchill Hayward Harriman."

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## Havana Chips at System, Giving Farmers Leeway

By Tim Golden

New York Times Service

HAVANA — Cuba has announced another step away from the highly centralized Communist system that has defined its economy for more than three decades, saying it will allow all farmers to sell part of their produce on the open market.

Government officials said they were acting to ease the crushing shortages of meat, chicken, most vegetables and other food, which have set the black-market price of a big fish

at the equivalent of a mechanic's monthly wage.

Several foreign experts on the Cuban economy said the measure could be an important step toward a more productive economy driven by material incentives, depending on how liberally it was applied.

But they cautioned that the move was still a small one when set against the overwhelming problems that have plagued Cuba since the fall of its Soviet-bloc trading partners in 1989 and the tightening of the U.S. embargo three years later.

In interviews, senior Cuban officials said Saturday the move would go far beyond the so-called free farmers' markets that Cuba created in 1980 and then abolished in 1986 as a bourgeois threat to communism.

Unlike that experiment, in which only small farmers were permitted to sell their surplus

produce on the open market, the new policy will encompass everything from state farming cooperatives to the Cubans who grow vegetables in their front yards.

Farmers will still have to sell the government a fixed amount of their harvest, based on what they grow and where they grow it. They will be allowed to sell anything they produce above those quotas at whatever price is dictated by supply and demand. The producers will be licensed, officials said, and their profits will be taxed.

Cuban officials denied that the announcement was tied to pressure from the Clinton administration, which has said that it will ease the 32-year-old U.S. economic embargo against Cuba only if the government of President Fidel Castro moves toward free markets and democratic politics.

Yet in laying out the agricultural changes just a few days after they began trumpeting their successful halt to the flight of thousands of refugees under an immigration agreement with the United States, Cuban officials said they hoped the measure would contribute to an improvement in the long-hostile relationship between the countries.

"This is not being done to seek a reaction" from the United States, the president of Cuba's National Assembly, Ricardo Alarcon, said in an interview with foreign reporters Friday night. "But I think it will have some repercussions."

The scarcity of food and other basics like soap was the central factor in the flight of more than 30,000 Cubans after Mr. Castro reacted to the hijackings of some state-owned vessels and a riot against the security forces in Havana on Aug. 5 by allowing people to leave the island freely in homemade rafts.

## Police at Simpson Crime Scene Didn't Go by the Book

Los Angeles Times Service

LOS ANGELES — Los Angeles police detectives disregarded state law and their own departmental policy when they waited hours to summon the county coroner to examine the body of Nicole Brown Simpson and Ronald Goldman, documents and interviews show.

The delay hampered efforts to pinpoint a precise time of death and now looms as a scientific problem in the double-murder case against O.J. Simpson, forensic experts say.

Documents show the police were warned two years ago that

state law required them to notify the coroner immediately in cases of murder and certain other deaths, and the Los Angeles police chief, Willie L. Williams, responded by issuing a tough new policy to that effect.

However, records show, detectives did not follow those guidelines in the hectic hours after the bodies were discovered shortly after midnight June 13.

California law makes it a misdemeanor for a physician, funeral director "or other person" not to immediately notify the coroner about violent and suspicious deaths, including

suicides and murders. The coroner's office has legal responsibility for determining the manner and time of death.

In the overwhelming majority of murder cases, however, homicide detectives say it is either impractical or unnecessary to call a coroner's investigator to the scene immediately. It is often obvious how and when a person was killed, they say, and their first duty is to preserve the crime scene for the collection of evidence. The fact that the coroner arrives later is of little consequence, they add.

As details about the tiff over the delay in calling the coroner emerged, a defense lawyer for Mr. Simpson, Johnnie L. Cochran Jr., said that his client "wants to testify" but that the defense team has made no definite decision on whether the former football star will take the stand.

"A final decision has not been made because we have not had to make that decision," Mr. Cochran said.

Mr. Cochran said he expected there would be "a healthy discussion about it" among the defense lawyers, that he expected differing views, and that the

group would try to forge a consensus and, if necessary, take a vote.

At this point, he said, "the majority view on the defense team is that Simpson should testify." Efforts to contact Mr. Simpson's other lead lawyer, Robert L. Shapiro, were unsuccessful.

A police spokesman, Lieutenant John Dunkin, said he would not discuss why detectives had waited to notify the coroner's office in the case.

But a police source close to the investigation added that the delay was "not unusual."

## AMERICAN TOPICS

### College Students Increasingly Stall On Plunging Into the Working World

U.S. college students are taking more and more time to graduate, The New York Times reports. And college officials are beginning to take steps to press perennial students to graduate and try their luck in the outside world, particularly now that enrollments are on the upswing after years of decline.

Less than one-third of the high school class of 1990 earned undergraduate college degrees within four years, down from 45 percent in 1977, when the National Center for Education Statistics began tracking graduation rates.

Arthur Levine, president of Teachers College in Manhattan said, "The traditional college student you and I think of — full time, lives in a dorm, is 22 years old or younger — makes up under 20 percent of all college students nowadays."

In 1970, Mr. Levine said, 30 percent of the college population was 25 years or older. In 1990, the same age group represented 45 percent of the college population. Today, he said, a majority of students work at outside jobs while attending college.

The University of Texas, like other institutions, is

getting impatient. One-third of its 48,000 students are seniors, rather than the expected one-quarter, and officials are concerned because the holdovers are taking away slots from incoming freshmen.

Graduation rates are also low at urban colleges, which tend to attract poorer students who work full- or part-time and consequently take fewer courses. At the City University of New York, fewer than half the students graduate within 10 years.

### He's Paid to Clean Up Scene of the Crime

After Baltimore policemen have lifted the last fingerprint and bagged and tagged the last strand of hair, it's Ray Barnes' turn.

Mr. Barnes saw opportunity in the gruesome murder scenes he came upon as a forensic investigator in the Maryland state medical examiner's office. So eight months ago, he and his wife started Crime Scene Clean Up Services, specializing in getting rid of the bloodstained evidence in the aftermath of a violent crime.

Typically, he and his crew pull down blood-spattered wallpaper, incinerate blood-soaked mattresses, wipe off the fingerprint dust the detectives have left on the furniture and vacuum up the chalk outline of the corpse on the carpet. This leaves the family concerned with fewer tangible reminders of tragedy.

To get rid of bloodstains, Mr. Barnes uses "odor digester," an enzyme that "will eat that blood right up. I tell you that stuff works great." His services cost \$200 and up.

### Short Takes

About 15 minutes of warm-up exercises can reduce or eliminate asthma attacks in people subject to such attacks when doing heavy workouts, according to a study appearing in the medical journal, *Medicine and Science in Sports and Exercise*, published by the American College of Sports Medicine. One of the researchers said a continuous warm-up apparently makes the body slowly use up the triggers that set off asthma attacks.

A pregnant woman who claimed her condition gave her the right to drive in a freeway lane requiring at least two people per car lost her argument in a Seattle courtroom. Municipal Judge Deborah St. Sing found Mary Ellen Keppeler guilty of violating the traffic ordinance and fined her \$47. "I am a nurse," Mrs. Keppeler testified, and "we consider a fetus a second person."

With retirement drawing near, the operatic soprano Leonie Rysanek wants to be remembered as an artist, not a star, or worse yet, she says, a legend. Miss Rysanek, 67, will give her final performance in the 1995-96 Metropolitan Opera season when she plays the countess in Tchaikovsky's "The Queen of Spades."

"I want to leave the stage with a lot of voice," she said. "I'd rather have people say, 'How sad she's leaving' instead of 'Why is she still singing?'"

The legend label, she said, makes her sound 250 years old. Her career has spanned 45 years.

International Herald Tribune.

## ★ POLITICAL NOTES ★

### Republicans Tinker With Abortion Plank

WASHINGTON — Conservative leaders will try to rewrite the anti-abortion plank in the Republican Party platform to turn it into a statement of principled support for the rights of the unborn that does not specifically call for a constitutional amendment banning abortion.

The major shift in strategy among some elements of the Republican right is based on the belief that the current platform is a divisive burden on Republican candidates and that the anti-abortion movement is concentrating far more on legislative restrictions than a constitutional ban.

In the most dramatic development, Phyllis Schlafly of the conservative Eagle Forum said she supported a revised Republican plank that would "just uphold the principle that the unborn child has a fundamental, individual right to life."

The proposal, which she outlined in an interview at the Christian Coalition meeting here, would "state the principle and leave the legislation and the tactics and all the specifics either to the pro-life movement or to the legislation" proposed by individual candidates and elected officials. The "human life amendment is one type of specific," she said.

Ralph Reed, executive director of the Christian Coalition, which will play a central role in any debate over the abortion plank, said "there are lots of words you can use to say you are pro-life."

"I think which of those words the party chooses to use are fine as long as it states it is pro-life and it says it is going to seek all legal remedies to protect the right to life."

"We are still discussing this issue in an environment that is defined by a post-Houston trauma syndrome," he said, referring to the Republican convention that featured tough conservative oratory, blamed by some for contributing to George Bush's defeat.

### For California, Pledge of 'Secure Border'

LOS ANGELES — Under political siege in California for failing to halt illegal immigration, the Clinton administration has answered back by announcing that it will pour federal resources into a new border control program.

Unveiling the new effort here, Attorney General Janet Reno promised Californians "a secure border that is fully defensible against illegal immigrants."

Dubbed "Operation Gatekeeper," the federal program includes adding or redeploying several hundred Border Patrol agents, a crackdown on immigrant smugglers and new procedures to identify people who repeatedly cross the border illegally.

Both through efforts on the border and new programs to reimburse states for the costs of services provided to illegal immigrants, she said Saturday, "We are working harder to solve this problem than any administration in history."

President Bill Clinton's handling of illegal immigration has become a major issue in California's tight races for governor and the U.S. Senate, as candidates of both parties demand more help from Washington.

Even State Treasurer Kathleen Brown, the Democratic candidate for governor, who generally supports Clinton immigration policies, demanded in a speech that the federal government pay for services it mandates for illegal immigrants and then added her own call for greater border enforcement.

Governor Pete Wilson, a Republican, has been Mr. Clinton's major antagonist, firing almost as many shots at the president recently as he has at his rival.

The Wilson campaign is airing a television advertisement that flashes the White House telephone number on the screen and urges California voters to call Mr. Clinton and "ask him to control our border."

### Quote/Unquote

General John Shalikashvili, chairman of the Joint Chiefs of Staff, on the Haiti crisis and demands for the military junta to resign: "We are on a very specific timetable. They have to leave now. We are not changing our timetable." (AP)

## MOGUL: Truth Almost as Strange as Flying Saucer

Continued from Page 1

ing-saucerism has become a minor industry."

In 1946, Project Mogul was given a top-secret classification with the highest priority. The project at first used neoprene meteorological balloons. Later it pioneered the use of polyethylene balloons, still an important tool of high-altitude research because their transparency lessens solar heating and the up-at-day, down-at-night cycle that such heating imposes on balloons.

Readings high above the Earth were radioed to ground stations. Early test flights, before Mogul developed its own sensors, carried naval underwater sound sensors.

"Money was no object," Mr. Trakowski said. "We seemed to have an unlimited budget."

The New Mexico work was the most extensive. Numerous balloon flights carried both sen-

sors and, to aid tracking, radar reflectors. To the untrained eye, the reflectors looked odd, a geometrical hash of lightweight sticks and sharp angles made of metal foil.

B-29 bombers, bomb-toting balloons and ground sites at the White Sands proving ground in New Mexico detonated high explosives for sound-monitoring experiments.

The Soviets detonated their first nuclear bomb in August 1949. Mogul detected it, most experts interviewed about the program said. But by that time it was clear that the work was doomed. The main problem was high-level winds that often pushed the balloons out of range of radio communications with the ground. The project was ended in late 1950.

"Operationally it was a nightmare, but scientifically it was a great success," said Dr. Charles B. Moore, Mogul's pro-

ject engineer, now emeritus professor of atmospheric physics at the New Mexico Institute of Mining and Technology, in Socorro.

Mr. Trakowski added that the visibility of the system, with its squadrons of big balloons, had abetted its demise. "It was like having an elephant in your backyard and hoping that no one would notice it," he said.

A final reason, said Dr. Charles A. Ziegler, a Brandeis University historian writing a book on atomic-age spying, was that government research showed that sound waves from distant blasts could be monitored on the ground.

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# Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## Carter's Special Vision

In undertaking a special mission to Haiti for President Bill Clinton, Jimmy Carter is showing once again that a former president can be a unique diplomatic resource. This is Mr. Carter's most dramatic, but not his first venture into very choppy waters. He has helped his nation as peacekeeper, backstage diplomat, monitor of foreign elections and advocate for the homeless, while finding time to write poetry and by his own example provides the best kind of case for traditional religious values.

Mr. Carter, who will be 70 on Oct. 1, deserves the growing harvest of honors from Americans who seem surprised to discover how much the Georgian has grown in stature since his defeat in 1980 by Ronald Reagan.

The most recent award — the J. William Fulbright Prize for International Understanding — came with an accolade from the awards committee chairman, Stanley Katz of the American Council of Learned Societies. "Jimmy Carter has done more for public service in general and for the promotion of mutual understanding among nations in particular than any American chief executive since John Quincy Adams."

After leaving the White House, Adams returned to Washington as a member of the House of Representatives, where he fought eloquently against slavery and helped draft the charter of the Smithsonian Institution.

Other former presidents have struggled with less success to use their special status and experience for the commonweal. Most have written memoirs, some have

striven to be elder statesmen while shunning real risks, others have turned to golf or (in the case of Teddy Roosevelt) strenuous feats of hunting and exploration.

Mr. Carter has not flinched from risk-taking and has played a crucial role as an honest broker, most notably in spurring nuclear talks with North Korea but also in conflicts in Ethiopia, Sudan and Liberia.

Some of his good works, such as spare-time house-building for the poor, are plainly meant to whip up publicity and thus good omen to action. But little fanfare attends most of the achievements of the Carter Center, a nonprofit organization based in Atlanta whose goals include conflict resolution, promoting democracy, eliminating disease and regenerating inner cities. The center has monitored elections in eight countries, including Panama and Paraguay; it has distributed the drug Mectizan to 9.5 million people in Africa and Latin America to prevent river blindness and has led a campaign to eradicate Guinea worm disease in Africa and the Indian subcontinent.

Mr. Carter, who has now been nominated for the fifth time for a Nobel Peace Prize, has the particular appeal of a good man who has not coveted or courted laurels. It comes as little surprise that he has written poetry that is said to be laced with dry and even bitter humor. When his book, "Always a Reckoning," is published in January, he will be the third president to publish verse. The others were Adams and Abraham Lincoln. That is good company for our most useful and perhaps most versatile former president.

— THE NEW YORK TIMES

## End of a Broadcast Ban

Prime Minister John Major of Britain journeyed to Northern Ireland on Friday to reassure citizens about his hopes for the continuation of the recent cease-fire and his pledge that no political changes in the status of the province will be made without the consent of its citizens by referendum. In the course of his statement, he touched on another matter that has been an irritant not only to Irish nationalists but to civil libertarians everywhere. He referred to broadcast restrictions issued by the Thatcher government in 1983 that banned from the airwaves the voices of individuals affiliated with certain named organizations. Those affected included not only members of the IRA and the Ulster Defense Forces but elected officials, including the Sinn Féin leader, Gerry Adams, who was at the time a member of the British Parliament. The regulations also prohibited the broadcast of "statements by any person, which support or invite support for these organizations."

The ban, imposed by the government "to stop supporters of terrorist organizations from using television and radio to justify violence," was difficult for Americans, used to free-wheeling and uncensored debate on any public issue, to understand. Moreover, it was frankly counterproductive, for it fostered an image of a great nation afraid to hear the words of opponents or even the statements of unaffiliated

persons seeking to explain the motives or grievances of those opponents.

In practice, the BBC and the independent broadcasting network adjusted to the ban by substituting the voices of actors for the actual voices of people speaking. The result on television was like watching a dubbed foreign movie with all the inflections of the speaker — including enthusiasm, sarcasm and emphasis — deleted, leaving a flat, hollow sound unlikely to provoke interest or emotional reaction in the viewer. Live broadcasts of interviews, of course, were impossible.

The trouble with this kind of censorship, especially when it is applied to elected officials and others who have never been a part of a terrorist organization, is that it adds to the sense of grievance that is used to justify violence. The restrictions never made sense, but surely now, in a time of hope and reconciliation, Mr. Major is right to say they serve no purpose at all.

As a first step to mark the end of censorship, the prime minister has challenged the former adversaries on both sides to use their newly regained voices to affirm their commitment to peace. That would be a fitting way to end the enforced silence and begin the new era of open discussion so necessary to the preservation of a free and democratic society.

— THE WASHINGTON POST

## Other Comment

### Haiti: Into Uncharted Territory

It is still not certain the United States will have to use armed force to oust Haiti's dictators, but it is clear that some form and degree of U.S. military presence are now inevitable, if only to ensure that the transition from military to civilian rule is as peaceful as possible. This necessity is most unfortunate, given the history of U.S. military interventions in the Caribbean, including an occupation of Haiti from 1915 to 1934. That occupation was far more memorable for its length than its accomplishments.

However, a new U.S. effort to bring democracy to a place that has known little in its nearly 200 years as a nation need not be as futile as the earlier intervention. If it is as quick and efficient as President Clinton and other administration officials promise — and if it enjoys broad international support, now being marshaled — it could lay the foundation for future stability in the Western Hemisphere's poorest nation.

— The Los Angeles Times

Certainly there was precious little enlightenment in the president's speech Thursday night on why America could see its way clear to invade Haiti. With a listlessness at odds with his usual side-walk-preacher oratorical style, Bill Clinton couldn't drum up one compelling reason that a tiny nation whose economy is in shambles and whose military is a shadow of America's posed a risk to national security. He was reduced to quoting George Bush and referring to

Grenada as though it were Guadalcanal.

From the isolated perch of the presidency, Mr. Clinton has become a leader reviled not only by the Republicans but by many liberal Democrats as well. He is seen as a man who would bargain nearly any principle away. From an unworkable "don't ask, don't tell" resolution of the issue of gay men and lesbians in the military, to the slow erosion of the promise of universal health care from all to many to some, Mr. Clinton has negotiated much and satisfied few.

With public and political opinion so arrayed against intervention, the very best result from an invasion would be a wash — no gain, no harm. The best case is that Haiti, like Grenada, would become Bill Clinton's little war, remembered less as an exercise in foreign policy than as a crisis of self-confidence.

— The columnist Anna Quindlen writing in The New York Times

President Clinton has no reason to be confident that the aftermath of a Haitian invasion will be trouble-free. Nor can he be sure that if he persists in a venture he concedes is unpopular that Congress will appropriate the resources needed to push the Haiti intervention to a successful conclusion. So Mr. Clinton is off into uncharted territory without having made the case that an emergency exists. Even his contention that "U.S. credibility is at stake" is undermined by the fact that he created the credibility problem with needless and repeated bluster in the first place.

— The Baltimore Sun

## While America Dithered, Haiti Suffered

By Bob Herbert

NEW YORK — If the United States is the cavalry on its way to rescue the Haitian people from their internal oppressors, it's a cavalry that is approaching its destination on the slowest, most sluggish horses imaginable. From the beginning President Bill Clinton's response to events in Haiti has been a kind of wacky, stumbling, indecisive, mixed-signal, no-policy policy that ultimately can make people crazy and get people killed.

Mr. Clinton bounces indiscriminately and sometimes farcically from one option to another. Is it a cruel hoax or smart politics to lock up the refugees? Do we support the Reverend Jean-Bertrand Aristide as the embodiment of democracy or trash him as an unstable, homicidal, mystical malcontent? Should we impose an embargo? A real one? I tell you what, we're going in, we're going in, we're going in — no, wait. Where's Jimmy Carter? Can he go down and talk to these guys?

Democracy was never very healthy, never robust, in the noxious environs of the western half of the island of Hispaniola. But under the inchoate guidance of Father Aristide it stood a fighting chance. If the will of the people counted for anything, there was still a chance even after Father Aristide was ousted by thugs at gunpoint three years ago.

A U.S. rescue mission was needed. But the cavalry took its own sweet time, meandering while Haiti burned. Now there are very real questions about whether democracy can be

revived, and whether it was ever the intention of the alleged rescuers to save it.

Father Aristide was elected president in December 1990 in balloting that was certified as free and fair by international observers. The election was an enormous step forward for a poverty-ridden, misery-laden people who had suffered under a succession of tyrants, most of whom ruled with the overt or covert support of government and business interests in the United States.

(The long and loathsome role America played in the exploitation of the Haitian people is a point that should be considered by those who persist in asking what interest we have in standing up for democracy there.)

In the period leading up to Father Aristide's election, and in the eight months that he ran the country, Haiti underwent a remarkable change. A constitution was established and a parliament elected. Peasant cooperatives were formed and literacy programs developed. The power of the terrorist Tontons Macoutes was broken and human rights violations plummeted. The flow of refugees to the United States ceased.

Even former Vice President Dan Quayle, who later would become a loud critic of Father Aristide, seemed impressed at the time. In August 1991, he said: "With only six months in office, President Aristide's government has undertaken serious and

profound reform measures in the public administration and in economic policy."

Less than two months later, Father Aristide was run out of the country and the thugs began their horrible and tragic work of destroying the fragile democratic infrastructure that had been so painstakingly pieced together. Their technique was simple: brutalize the populace into submission.

The United States could have rescued the forces of democracy in Haiti at any time, but the politicians insisted that America had no real interests there. All America really cared about was keeping the desperate refugees from sullying its shores. So the thugs were left free to rampage.

They crushed all political and civic activity. They deliberately reversed efforts to salvage the country's deteriorating physical environment. They destroyed grain silos and other peasant initiatives. They re-instated systematic terror as the chief tool of the government. They ousted human rights monitors. They murdered, raped and pillaged with impunity.

The United States prides itself on being the staunchest defender of democracy the world has ever known. Nevertheless, it has consistently undermined the struggle to move to freedom and democracy in Haiti.

If President Clinton is finally to be believed, that shameful pattern is about to change. The hope for those who care about the Haitian people is that it isn't too late.

The New York Times

## The Risks Mount Up For Clinton

By Peter W. Rodman

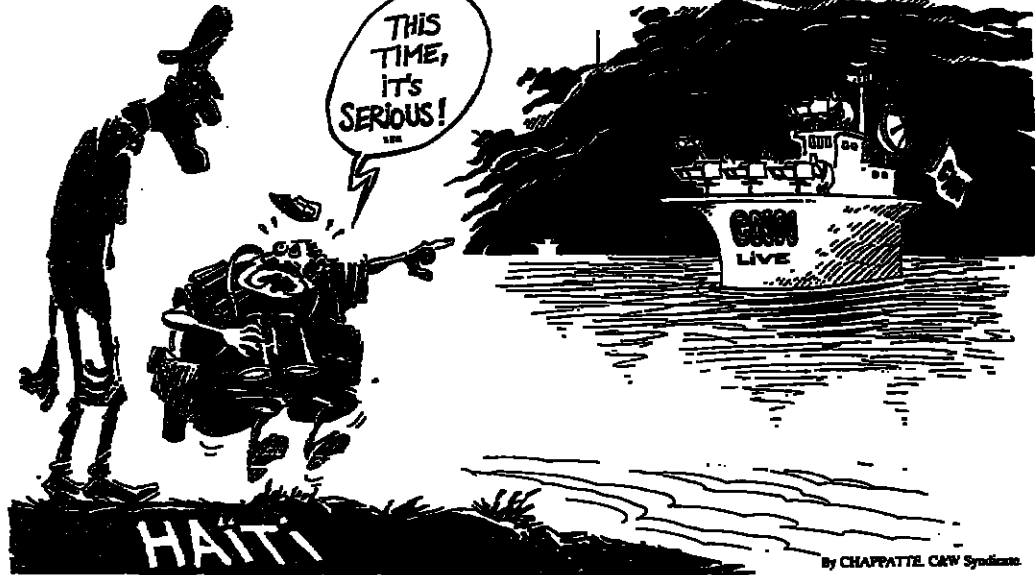
WASHINGTON — President Bill Clinton has dispatched U.S. troops toward Haiti, ready to ensure a transition to democracy. Like many of his predecessors of both parties, Mr. Clinton has asserted his authority under the constitution to begin such an operation without formal congressional approval.

It is striking that in his Thursday address Mr. Clinton mentioned the United Nations several times, and the U.S. Congress not at all. It is paradoxical, not to say amusing, to see Democratic congressional leaders — who developed the war powers controversy into an operative act form when Republicans sat in the Oval Office — squirming uneasily in the face of Mr. Clinton's bald assertion of unilateral authority.

Three decades of experience with executive-congressional wrangling give us some clues about what is likely to happen next. The precedents suggest that intervention in Haiti will leave Mr. Clinton quite exposed. If the operation is quick and successful, congressional agitation will probably not reach the level of a serious political challenge. But if U.S. forces should find themselves mired down, then public and congressional tolerance will evaporate.

The analogies invoked will then be Lebanon and Somalia, if not Vietnam. And the president's political position and ability to stay the course will suffer from the absence of formal congressional backing. Congress passed the War Powers Resolution in November 1973. It was the centerpiece of the congressional challenge to presidential power during the era of Vietnam and Watergate. Its passage had great symbolic importance as a blow against the "imperial presidency." Indeed, it was passed over President Richard Nixon's veto.

But that veto deprived the resolution of some of the legitimacy its architects sought. They had hoped that a "compact"



agreed upon between a president and Congress would have a legal, political and moral effect. Mr. Nixon saw it as unconstitutional — as have all his successors, Democrat and Republican. One irony of the War Powers Resolution is that it was based on a myth. It was supposed to prevent a repetition of America's involvement in Vietnam. Yet even if it had been in force in the 1960s, the country's entry

into Vietnam would almost certainly have happened anyway, since the intervention had considerable congressional and public support when it began.

Retrospectively, critics of the war put all the blame on executive overreaching, forgetting the degree of support from Congress and the public. Mr. Johnson's real problem was the context of the Gulf of Tonkin Resolution, which came in 1964 after a few limited U.S. retaliatory air strikes. While its language authorizing armed force was broader, hardly anyone in Congress imagined it was a vote for a ground war and half a million combat troops. Thus the resolution was inadequate as a political safety net when the war expanded and became unpopular. A resolution passed in early 1965, when the major U.S. air and ground war began,

would have provided better cover.

A second irony is that since 1973, presidents have managed to carve out considerable freedom of action. Consider President Ronald Reagan's quick military strikes against Grenada in 1983 and Libya in 1986; President George Bush's operation against Manuel Noriega in Panama in 1989, and Mr. Clinton's limited air strike against Iraq in 1993. All showed that presidents — if their actions are judged successful — can still act unilaterally in small-scale operations as commander in chief and are not necessarily hobbled by Congress.

In none of these cases did Congress invoke the War Powers Resolution to block or limit presidential action. This was either because the action was popular or because the risks seemed low and the strategic case was broadly accepted. The resolution in its precise terms proved procedurally unworkable.

Yet at the same time, there can be no doubt of the limits of presidential freedom of action. Therein lie the historical lessons for Mr. Clinton. Mr. Reagan's Lebanon intervention in 1983-84, when the United States and three European allies sent forces to Beirut and they became caught up in the Syrian assault on the Lebanese government, led Congress to assert its role and pass a resolution granting the president only 18 months' authorization to continue the deployment. Mr. Reagan denied he needed authorization but acceded to the bill anyway, for fear of a cutoff

of funds. Within less than four months, after the bombing of the Marine barracks in Beirut, renewed congressional agitation forced him out of Lebanon.

In January 1991, as Mr. Bush contemplated Operation Desert Storm against Saddam Hussein, both houses of Congress debated and passed resolutions of authorization. Mr. Bush denied that he needed such approval. But the congressional votes of support averted a monumental constitutional crisis that would have ensued if the president had launched a full-scale war over either house's disapproval.

Mr. Clinton's tentative commitments of force in Somalia, Haiti and Bosnia in 1993, in pursuit of objectives that were not clear to the public, led to a wave of war powers resolutions in Congress that were beaten back only because Mr. Clinton backed away from the operations.

History suggests that Mr. Clinton is compounding his military risks in Haiti with the risk that his political situation at home will quickly unravel if the operation runs into difficulty. And if such difficulty arises, the unraveling of his domestic situation will deny him the staying power he needs to complete the enterprise successfully in Haiti.

Peter Rodman, a former White House and State Department official, is author of the forthcoming "More Precious Than Peace: The Cold War and the Struggle for the Developing World." He contributed this comment to The New York Times.

## When the Going Gets Tough, Put Everybody in Jail

By Anthony Lewis

BOSTON — In apartheid South Africa, at times when political prisoners were subjected to harsh treatment, they were still allowed to earn university degrees by correspondence. For the U.S. Congress in 1994, that idea is too enlightened. One section of the omnibus crime bill just signed by President Clinton forbids the awarding of Pell grants for higher education to anyone in prison. That will just about end the possibility of prisoners, who are mostly poor, earning college credits.

Is that provision of the bill a blow against crime? To the contrary. Studies show that prisoners who do college work are less than half as likely as other inmates to commit new crimes after their release.

No, Congress inserted the provision to show the public how "tough" it could be — how mean, how nasty. The realities of fighting crime had nothing to do with it — or with many other parts of the crime bill.

Consider what the bill does about mandatory minimum sentences, which prison officials and judges and other experts regard as a distorting and self-defeating trend in American law.

Congress in recent years has fixed minimum sentences for many drug offenses. Judges have lost their right to consider the particular facts of the crime and the offender. They are required to put many nonviolent, first-time drug offenders away for 5 or 10 years.

More than 100,000 new drug offenders are being committed to state and federal prisons every year. The result is overcrowding of those prisons. Some states solve the problem by releasing other prisoners — including those the public rightly fears most, men who committed violent crimes.

The new bill moves to lengthen state prison terms as well. It does so by offering states large sums to build new prisons, but only if they promise to make serious offenders serve at least 85 percent of their sentences. Most states now release prisoners after they serve a far smaller portion of their sentences. To get the federal money the states will have to make their prisons even more overcrowded.

As the crime bill first came out of a Senate-House conference, it had a provision exempting nonviolent drug offenders who cooperated with the prosecution for mandatory sentences — and applying that exemption to similar offenders already in prison.

A freshman Republican congressman from New York, Rick Lazio, demanded elimination of the retroactive clause. To get his vote for letting the bill come to the floor, the Democrats gave way to him. As a result, someone who sold a small amount of crack last year may be in a penitentiary for 10 years while someone newly convicted serves 2 years.

These are small examples of be-

nighted provisions that make this crime bill not just a flawed but a wrong-headed piece of legislation. Others can be briefly indicated.

Representative Susan Molinari, Republican of New York, got into the bill a section allowing federal prosecutors to disclose at the trial of sex crimes the fact that the defendant was previously charged (not convicted) with a sexual offense, civil or criminal, no matter how long ago. So someone falsely accused — and that does happen — would be branded.

Another provision narrows the circumstances in which federal courts can find that conditions in a prison are cruel and unusual, in violation of the constitution. Another waters down the present rule against executing people who are so mentally ill that they cannot understand the proceedings against them.

The better-known provisions of the crime bill, such as "three strikes, you're out," have their own flaws. How did such a misbegotten piece of legislation become law? The answer is simple: politics. Democrats wanted to take the crime issue away from Republicans. Republicans responded by sounding "tougher." The Justice Department did not work effectively against the worst features because President Clinton wanted something — anything — labeled "crime bill."

Since 1970 the number of in-

mates in American prisons has quadrupled. The United States has passed South Africa for the title of most prisoners per capita in the world. None of this has had a measurable effect on America's high level of crime. But the U.S. government has decided, as The Economist magazine put it, "to take this failed approach to crime policy and extend it."

The New York Times

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1894: Bivalve Thieves

PARIS — Stealing is a fine art in Paris and is studied in all its branches. As if by tacit consent, the criminal class take up certain specialties. Not to be forgotten are the oyster thieves, who manage to spirit away the luscious bivalves from the merchants, in spite of the stones and heavy weights attached to the baskets. Lately Monmartre has suffered particularly in this direction.

### 1919: New German Plot?

WARSAW — Polish newspapers claim that they have discovered a new German plot in Upper Silesia. They publish the full text of an order issued by the Prussian War Office in Berlin dated July 28, 1919, giving instructions to the German military authorities in Kolberg that Polish soldiers are to be enticed into crossing

## An Accord The World Can Honor

By Stephen S. Roosenfeld

WASHINGTON — First a bow to the Egyptian government. It kept Islamic terrorism from spoiling the big UN population conference in Cairo. The circumstances nurse extremism, including rampant population growth, no doubt still run. But in this conspicuous instance, some mix of deterrence by the authorities and discretion by the revolutionaries paid off in a handsome boost of prestige for the regime.

Then a second bow to that dumping ground of desperate hopes known as "the United Nations." Only under UN auspices could such a forum have been organized, such a sprawling topic as population and development teed up and such a striking degree of agreement obtained.

And a third nod to the Clinton administration. It brought the U.S. government abreast of the advanced line of the many non-governmental sources that create national consciousness on an issue like this one. This in turn enabled it to exercise global leadership in a policy realm that lacks the high political stakes of a fight over, for instance, Haiti or Cuba, but that can deliver rewards, in social improvement and global stability.

Cairo's accomplishment lies in the essential chemistry of social change: converting a slowly won new expert consensus on population and development into a virtually worldwide political consensus. Advocates return to battle in their own countries on an agenda that diminishes the old emphasis on reducing birth numbers by family planning and assigns new weight to a developmental approach to women's rights and health.

It will occur to some that an international bandwagon has formed and that it is making a gamble on nothing less than the future of humanity. Set aside, as Cairo pretty much did, the objections of the Vatican and others to the moral pings of the new agenda. You are left with international embrace of the largest calculated act of social engineering in history.

This prospect puts a responsibility on the official and intellectual keepers of the new doctrine. On the chance — and surely there is one — that they are wrong, they must keep an open mind. I'm not quite sure how this is done; it's not as though you can just get off at the next freeway exit and double back. But it will be important to hear out dissenters with a different notion of the connection between birth rates and human resources or with other programmatic ideas.

You can say that the Cairo conference came in the nick of time, and not only for the places where population and development are painfully out of whack. Since the Cold War ended, U.S. policy has struggled with the no longer testable fact that global instability is a lot more than an imported communist disease; it is an intrinsic condition. Democracy and the free market have been tested as rescue vehicles and have their undisputed continuing part. But they leave an evident gap, and the newly sanctioned strategy fills it. Not that broad gauge women-oriented programs are magic. Like most "programs," they are often government programs vulnerable in their implementation to the very governmental weaknesses that contribute to the problem in the first place. But they have a special appeal. To offer women more control over their own families, careers and destinies. This is the most dignified and the least coercive form of social engineering.

For the overall costs of these programs, put at \$17 billion a year, the poor countries are meant to ante up two-thirds and the rich countries one-third. Presumably, most of it will be old money redistributed within health budgets, national budgets and international aid budgets. But the Cairo mandate should be useful in helping spring new money, too. I think that most of us, asked what we would most like to see the government spend on overseas, would say without a pause: population.

The Washington Post

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# Rating the World's Best Restaurants: GERMANY



Above left, chef Harald Wohlfahrt and owner Heiner Finkbeiner in Schwarzwaldstube dining room; right, Otto Koch with marrow dish specialty in Le Gourmet kitchen; Paffgen dining room.

With this page on Germany, the IHT's restaurant critic, Patricia Wells, continues to rate the world's top restaurants, and to compile a list of the Top 10 restaurants around the world, and the Top 10 most casual and affordable restaurants. Next month, she will report from Italy. If you would like to share your favorite finds with Patricia Wells, please write her at the IHT.

## The Top Tables

- No. 1: Schwarzwaldstube, in Kur & Sporthotel Traube Tonbach, Tonbachstrasse 237, Baisersbrunn, tel: (7442) 49-26-65.
- No. 2: Le Gourmet, Hartmannstrasse 8, Munich, tel: (89) 2-12-09-05.
- No. 3: Restaurant Dieter Müller, Schlosshotel, Lerbach, Lerbacher Weg, Bergisch-Gladbach, tel: (2202) 20-40.

**W**HAT'S to be found on a south-to-north gastronomic tour of Germany? A fertile green land where every potato you eat, no matter how modest the establishment, tastes as though it has just been pulled from the earth. Inspiring chefs, who turn out ethereal mousses and shiny sauces, bring new honor to the art of gelatin-making, remind us of the luxurious splendor of broche.

Many of the chefs who are at the top of their profession began their careers in the nouvelle cuisine days of the 1970s. French cooking is certainly their main inspiration, but from there, the chefs weave their own magic.

And magic it was at the table of Harald Wohlfahrt, deep in the Black Forest, at the small, sun-filled Restaurant Schwarzwald-

stube. The restaurant was elevated to the top Michelin three-star rating in 1992, after having held on to two stars for the previous 12 years.

Wohlfahrt displays a sense of perfection, technique and maturity, as well as pure and clean style. Even from a distance, as I eyed the appetizer-quickie coming toward me, I knew I was in for a bite of perfection: flawless pastry, a feather-light, fluffy quiche flecked with the rich flavors of ham, leeks and cream.

Surprises arrive at a measured pace, and soon we're served a showstopping terrine of monkfish — alabaster-white, edged in clear gelatin, a burst of flavor, texture, mouth-filling pleasure. Quail breast is smothered in a rich quail "soufflé," paired with a salad of green beans and mushrooms in a pine-nut oil vinaigrette. Wohlfahrt encases turbot and langoustines in flaky phyllo dough, laced in a light saffron sauce, and serves basmati rice alongside.

But the finest taste of the day, and of the trip, came in a simple John Dory (Petersfisch) enveloped in paper-thin slices of exquisite German bacon, and panfried to a delicate crispness. Served in a pool of creamy horseradish sauce, in which floated rounds of lightly pickled beets, it made me feel I had all of Germany wrapped up in a few well-flavored bites.

My favorite wine on the Schwarzwaldstube's list is an Alsatian riesling, Léon Beyer's 1990 Cuvée Particulière, an apple-like, fragrant wine that's dry and adaptable to just about anything Chef Wohlfahrt can dish out.

His elegance and attention to detail followed through to dessert, with a composition of red fruits and peaches in a delightful champagne ice cream, and a golden soufflé-like pancake, sweet and crunchy, studded with fresh blackberries.

Closed Monday and Tuesday, Jan. 9 to 31, July 31 to Aug. 22. Credit cards: American Express, Eurocard, Diners Club, Visa. Menus from 155 to 195 Deutsche marks (\$100 to \$125). A la carte, 100 to 120 DM, including service but not wine.

In my view, Munich's Otto Koch is Germany's ideal chef and merits far more than his single Michelin star. He's modest, energetic, creative and totally in tune with what's good about German ingredients. As a chef, Koch displays a rare sensitivity and a closeness to his Bavarian roots.

At the elegant, upstairs dining room of Le Gourmet, he offers a taste of both modern and updated-rustic fare. One weekday afternoon he served a veritable symphony of country-inspired dishes.

He begins with a single, decisive flavor: a fresh boned sardine panfried to a crisp, then served with a soothing yogurt herb sauce and a tangle of greens. Next a tiny terrine of pig tails, just one emphatic bite, all fatty, crunchy and dense in texture, twinned with another teeny salad dressed with a Bavarian specialty, an opulent pumpkin-seed oil.

As a nod to wurstland, Koch offers miniature seafood sausages on a bed of cabbage, the crisp vegetable bathed with butter and mustard.

All this is a mere overture to Koch's pièce de résistance. Bone marrow lovers take note: He scoops out marrow bones, slices them horizontally, then fills them with a nutmeg-seasoned potato purée. On top go thin, crisp rounds of marrow, embellished with chives and plenty of freshly ground black pepper.

Later, a multilayered mushroom "cake," thin layers of crepes interlayered with a rich, enthusiastic wild-mushroom purée, arrives as an interlude.

Le Gourmet's wine offerings are extensive (wine lovers should request a tour of the cellar). A white well worth sampling is the small-production Grauburgunder, produced by Karl-Heinz Jöhner, which goes particularly well with food, something you can't say of all German wines, even some of the best. For red, opt for the berry-rich Bavarian Spätburgunder, made from pinot noir. From Rudolf Furst's vineyards in Burgstadt, the 1990 is comparable to a well-made French Burgundy, fine in fruit, light, but with a bit of body.

Take a deep breath, then order a platter of Bavarian cheeses — all quite delicate yet intense in flavor — some goat, some sheep, some cow, some a mix, sprinkled with herbs or not. As a closer, sample his superb homemade liqueur, Le Gourmet, haunting with orange and juniper.

Closed Sunday and Monday. Menus from 150 to 200 DM; à la carte, 90 to 200 DM, including service but not wine.

Germany's embarrassment of riches continues with Dieter Müller, newly installed near Cologne at the luxurious turn-of-the-century Schlosshotel Lerbach. The dining room at Restaurant Dieter Müller is fashioned out of a bright and airy winter garden overlooking a rose garden and Italianate ruins.

Müller recently spent a year traveling around the world absorbing the cuisines of other lands. As he states, Escoffier remains his greatest inspiration, and your palate will recognize the source. Müller's food is complicated, but not so much that you don't recognize what's on your plate.

His best dish is a complex weaving of flavors, textures, colors, a pairing of sautéed goose foie gras on a bed of sliced, marinated

pumpkin and pumpkin seeds. He adds to the palette a soft, herb-filled ravioli and shavings of summer truffles.

Smoked eel is fashioned into a terrine surrounded with fresh cucumber cream: smoked halibut is turned into a silken sheer mousse; sorrel soup is dotted with cubes of fresh salmon, and a riestling sauce serves as backdrop for pike perch and salmon fillets wrapped in spinach leaves.

But I confess total weakness for his champagne ice cream — a treasure that's prepared without cream, but rather with butter and an avalanche of eggs. Yet champagne's distinctive flavor shines through.

German wine novices will be well taken care of here, as the sommelier, Petra Bader, shares her passion for her native wines. A red to sample is the El Flammis Orior, made from a blend of lemberger, pinot noir and samtroit, a light and fruity red that pairs well with lamb and other delicate meats.

Closed Sunday and Monday. Credit cards: American Express, Eurocard, Diners Club, Visa. Menus from 148 to 198 DM; à la carte, 120 to 150 DM, including service but not wine.

## CASUAL DINING

- No. 1: Käfer Schänke, Prinzregentenstrasse 73, Munich, tel: (89) 4-16-82-47.
- No. 2: Schwarzwälder, Hartmannstrasse 8, Munich, tel: (89) 2-12-09-79.
- No. 3: Paffgen, Friesenstrasse 64-66, Cologne, tel: (221) 13-54-61.

**T**HE upper floors of one of Munich's foremost gourmet shops and caterers harbors one of Germany's better casual dining spots. Käfer Schänke, a place where the menu ranges from a simple green salad to caviar-topped salmon "carpaccio" to a platter of cheeses served with delicious fresh and nutty German butter.

Our lunch displayed great variety and understated creativity, beginning with a delicate crepe filled with layers of moist smoked salmon, caviar and salmon eggs rolled in a neat bundle and served with a shocking pink, yet harmonious, sauce of red beets and cream. A middle course of crayfish tails in a delicate bouillon showered with a dose of fresh thyme, dill and parsley, served as a tonic. A main course of tender baby lamb chops simmered in broth and served with a variety of vegetables was equally refreshing; guinea fowl — stuffed then rolled and roasted — was expertly seasoned, carefully presented, and just as satisfying. Only a rather bland turbot roasted with thin potato scales was disappointing. A worthy wine here is the dry, 1992 Müller-Thurgau Birnauer Kirchbalde, which is refreshing, light and versatile.

Closed Sunday and holidays. Credit cards: American Express, Eurocard, Diners Club, Visa. Menu at 46.50 Deutsche marks (\$30), including service but not wine; à la carte, 26 to 70 DM, including service but not wine.

Munich's Otto Koch strikes again, with his 80-year-old Restaurant Schwarzwälder, an institution he took over just four years ago. The dark wooden booths, heavy chandeliers, stained-glass windows and carved wooden beams of this Old World dining room create an ideal setting for the traditional German fare offered here.

Almost no one in the world can get me to order tripe, much less love it. Well, chef Koch's version — with measured doses of cream and wild morels — added a convert to the fold. Gentle in texture and aroma, the dish offers a new definition of tripe.

An excellent starter is the jellied beef, a multilayered creation of thin slices of boiled beef interlayered with a mix of carrots and zucchini, served with a green salad and a touch of horseradish. The dish could have used a touch more seasoning, and I could have used twice as much horseradish, a zesty root that deserves greater play.

With it all, sample the house riesling — the 1992 Diederfelder Paradies — a light, thirst-quenching wine with a pleasant, lemony edge, then order a sweet apricot strudel.

Closed Sunday. Credit cards: American Express, Eurocard, Diners Club, Visa. Menu at 68 DM; à la carte, 42 to 88 DM, including service but not wine.

## THE LIST SO FAR



The following is an evolving list of the 10 best restaurants in the world and the 10 best casual restaurants, based on reporting so far. The list includes reviews on Hong Kong, Tokyo, the United States, France, the Benelux countries, Spain, Britain, Switzerland and Germany.

### The Top Tables

- No. 1: Joll Robuchon, 59 Avenue Raymond-Poincaré, Paris 16, tel: 47-27-12-27.
- No. 2: Restaurant Fredy Girardet, 1 Route d'Yverdon, Crissier (6 kilometers west of Lausanne), Switzerland, tel: (21) 634-0505.
- No. 3: Lai Ching Heen, The Regent, Salisbury Road, Hong Kong, tel: 721-1271.
- No. 4: Le Louis XV-Alain Ducasse, Hôtel de Paris, Place du Casino, Monte Carlo, Monaco, tel: 92-16-30-01.
- No. 5: Ki-Cho (Kitcho), Chuo-ku, Ginza 1-11-2, Hotel Seijo (B1, basement), Tokyo, tel: 3535-1177.
- No. 6: Jiro, Chuo-ku, Ginza 4-2-15, Tsukamoto Sozan Building (B1, basement), Tokyo, tel: 3535-3600.
- No. 7: Guy Savoy, 18 Rue Troyon, Paris 17, tel: 43-30-40-61.
- No. 8: Taillevent, 15 Rue Lamennais, Paris 8, tel: 45-63-96-01 and 45-61-12-90.
- No. 9: Restaurant Daniel, 20 East 76th Street, New York, tel: (212) 288-0033.
- No. 10: Schwarzwaldstube, in Kur & Sporthotel Traube Tonbach, Tonbachstrasse 237, Baisersbrunn, Germany, tel: (7442) 49-26-65.

- No. 1: Al Forno, 577 South Main Street, Providence, Rhode Island, tel: (401) 273-9767.
- No. 2: La Tupina, 6 Porte de la Monnaie, Bordeaux, tel: 50-91-56-37.
- No. 3: Frontera Grill, 445 North Clark Street, Chicago, tel: (312) 661-1434.
- No. 4: City Club Restaurant, East Ocean Centre, 98 Granville Road, Tsim Sha Tsui East, Kowloon, Hong Kong, tel: 723-6226.
- No. 5: Ca l'Esidre, Les Flors 12, Barcelona, tel: 441-1139.
- No. 6: The Seafood Restaurant, Riverside, Padstow, Cornwall PL28 8BY, England, tel: (841) 532-483.
- No. 7: Vidiana, Juan de Mena 14, Madrid, tel: 524-4478.
- No. 8: Le Caméléon, 6 Rue de Chevreuse, Paris 6, tel: 43-20-63-43.
- No. 9: Käfer Schänke, Prinzregentenstrasse 73, Munich, tel: (89) 4-16-82-47.
- No. 10: Schwarzwälder, Hartmannstrasse 8, Munich, tel: (89) 2-12-09-79.

Casual Dining

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- No. 2: Schwarzwälder, Hartmannstrasse 8, Munich, tel: (89) 2-12-09-79.
- No. 3: Paffgen, Friesenstrasse 64-66, Cologne, tel: (221) 13-54-61.

Closed Sunday and holidays. Credit cards: American Express, Eurocard, Diners Club, Visa. Menu at 46.50 Deutsche marks (\$30), including service but not wine; à la carte, 26 to 70 DM, including service but not wine.

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No doubt about it, the Germans know their beer. With some 1,400 breweries and 4,000 different beers, they ought to. Although there are perhaps dozens of brewery-beer halls as authentic and satisfying as Cologne's Paffgen, I haven't yet found them to Cologne — solely for its tavern. The home brew, served in very thin, tall glasses, is pale, with a faintly lactic taste, and it's clean and refreshing on the palate.

The huge, dark beer hall — actually a series of halls and a large outdoor terrace shaded by a big chestnut tree out back — offers everything one dreams of in a traditional German menu, in quality, quantity and value. Thick white china, other walls, an atmosphere that's convivial but not boisterous make it the sort of place where even children in prams are found.

The herring fillets, *hansfraumari* — bathed in sour cream, onions and apples — are top of the line; the thin, long bockwurst arrives accompanied by one of those incomparable German potato salads, ever so sweet, ever so sour; the sauerkraut is neither too salty, too bitter, nor overly seasoned, and the hearty portions of sauerbraten — paired with a duet of industrial-strength potato dumplings — will keep you nourished for days.

Open daily. No credit cards. A la carte, 13 to 27 DM, including service but not drinks.

## TIPS

**G**ERMANY offers an abundance of high-quality restaurants, many of which are scarcely known beyond the country's borders. Here is a list of some additional worthy contenders, with the best dishes sampled at each:

Wald & Schlosshotel Friedricksruhe, Friedricksruhe, near Orlingen, tel: (7941) 6-08-70. For chef Lothar Eiermann's showstopping molded *Kugelhof* of goose liver with glazed apple slices and warm brioche, sorrel soup with

salmon schnitzel, and stuffed rabbit with herb brioche.

Tantris, Johann-Fichte-Strasse 7, Munich, tel: (89) 36-20-61. For one of the world's liveliest sommeliers, Paula Bosch, and chef Hans Haas's calf's head with tomatoes and basil, pigeon roasted in a nest of artichokes, and raspberry gratin in white wine ice cream.

Zur Traube, Bahnstrasse 47, Grevenbroich, tel: (2181) 6-87-67. For Elvira Kaufmann's superb service and Dieter Kaufmann's ethereal surgeon parfait with beluga caviar and complexly fla-

vored goose foie gras tourte with grape preserves.

Hotel Restaurant Schweizer Stuben, Geiselbrunnweg 11, Wertheim-Bettingen, tel: (9342) 30-70. For chef Fritz Schilling's cold potato soup with truffles, baby goat with varied beans and cheese polenta, and plum tart.

Residenz Heinz Winkler, Kirchplatz 1, Aschau im Chiemgau, tel: (8052) 1-79-90. For his warm smoked eel with cucumbers and potatoes, homemade noodles in Roquefort sauce, sautéed wild mushrooms with herbs, and wild berries with red wine ice cream.

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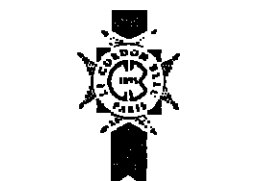
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Abb Fin May	9	97	102.025	8.09	+29	
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Consolidated trading for week ended Friday, Sept. 16.

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Consolidated trading for week  
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**All figures are as of close of trading Friday**

Stock Indexes			Money Rates		
<b>United States</b>	Sept. 16	Sept. 9	<b>United States</b>	Sept. 16	Sept. 9
DJ index	3673.25	3674.61 +1.31 %	Discount rate	4.00	4.00
DJ WHL	177.23	179.97 +1.47 %	Prime rate	7 3/4	7 3/4
DJ Trans.	1556.23	1591.56 +1.60 %	Federal funds rate	4 1/4	4 1/4
S & P 100	428.21	433.13 +1.17 %	<b>Japan</b>		
S & P 500	1,210.18	1,218.76 +0.64 %	Discount	2 1/2	2 1/2
S & P Ind	551.76	551.23 +0.99 %	3-month interbank	2 1/8	2 1/8
NYSE Co	259.77	258.38 +0.54 %	<b>Germany</b>		
<b>Britain</b>			Lombard	6.00	6.00
FTSE 100	3045.10	3138.50 +2.93 %	Call money	4.95	4.95
FT 30	2381.90	2407.00 +1.05 %	3-month interbank	5.10	5.00
<b>Japan</b>			<b>Switzerland</b>		
Nikkei 225	19796.29	19877.28 +0.57 %	Bank base rate	5 1/4	5 1/4
<b>Germany</b>			Call money	5 1/4	5.00
DAX	2118.73	2185.15 +3.04 %	3-month interbank	5 3/4	5 1/4
<b>Hong Kong</b>			<b>Gold</b>	Sept. 16	Sept. 9
Hong Sens	1969.52	19145.00 +1.74 %	London pur. fixd	390.00	390.75 +0.19 %
<b>Hamp</b>					
MSCI P	631.61	636.00 +0.69 %			

Market Index From MarketIndex Stanley Capital Intl.

[illegible]

## Interim Report Highlights 1994

- |   |                   |
|---|-------------------|
| ■ Profit after taxation                               | US\$109.1m + 60%  |
| ■ Earnings per ordinary share                         | US¢5.99 + 50%     |
| ■ Earnings per ordinary share before exceptional item | US¢4.00 Unchanged |
| ■ Dividend per ordinary share                         | US¢1.65 + 6%      |

*"Dairy Farm has experienced more severe competition in some of its major markets but continued to make progress with its international development. While the overall result for the year will be enhanced by the exceptional gain recorded in the first half, the operating profit is likely to remain at a similar level to 1993."*

Simon Keswick, *Chairman*  
15th September 1994

### Consolidated Profit and Loss Account

	(unaudited)		Year ended
	Six months ended 30th June		31st December
	1994	1993	1993
	US\$m	US\$m	US\$m
Turnover	2,637.4	2,383.7	4,979.6
Operating costs	(2,573.6)	(2,322.2)	(4,802.3)
Operating profit	63.8	61.5	172.3
Share of profits of associates	44.0	40.4	98.5
	107.8	101.9	270.8
Exceptional item	41.8	—	—
Profit before interest and taxation	149.6	101.9	270.8
Net interest expense	(10.5)	(10.3)	(18.5)
Profit before taxation	139.1	91.6	252.3
Taxation	(30.0)	(23.6)	(54.5)
Profit after taxation	109.1	68.0	197.8
Minority interests	(0.7)	0.1	(0.3)
Profit after taxation and minority interests	108.4	68.1	197.5
Preference dividends	(6.8)	(1.9)	(8.7)
Profit attributable to ordinary Shareholders	101.6	66.2	188.8
Ordinary dividends	(28.3)	(28.1)	(95.5)
Retained profit for the period	73.3	40.1	93.3
	US¢	US¢	US¢
Earnings per ordinary share	5.99	3.99	11.28
Dividends per ordinary share	1.65	1.55	5.65

**Dairy Farm International Holdings Limited**  
*Incorporated in Bermuda with limited liability*



**A member of the Jardine Matheson Group**

**Note:**

The interim dividend of US\$1.65 per ordinary share will be payable on 1st December 1994 to ordinary Shareholders on the register at the close of business on 30th September 1994. The dividend is available in cash or by way of a scrip alternative. The ordinary share registers will be closed from 3rd to 7th October 1994. The interim dividend, declared in United States Dollars, will also be available in Australian Dollars, Hong Kong Dollars and Sterling calculated by reference to rates prevailing ten business days prior to the payment date. Ordinary Shareholders who are the managing local branch register will receive United States Dollars while ordinary Shareholders on the Hong Kong branch register will receive Hong Kong Dollars. Shareholders elect for one of the alternative currencies by notifying the Company's registrars or transfer agents by 4.00 p.m. (local time) on 4th November 1994. Ordinary Shareholders whose ordinary shares are held through the Central Depository System in Singapore ("CDP") will receive Hong Kong Dollars unless they elect through CDP to receive United States Dollars.

e seat you wouldn't be nudging your neighbour.

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## CAPITAL MARKETS

### A Loss for U.K. Insurers: Right to Own Eurobonds

By Carl Gewirtz  
International Herald Tribune

PARIS — Nobody, apart from some narrowly focused lawyers, was paying attention. In the space of a sentence, as they set about writing the British legislation to implement the European Commission's directive on regulating the insurance industry, this major class of institutional investors virtually lost its ability to own corporate Eurobonds.

Promulgated last December, revised in early spring and enacted in July, the legislation defines which assets owned by British insurers can count in meeting solvency requirements. Unlisted securities cannot account for more than 10 percent of qualifying assets.

The definition of listed securities — listed on a regulated stock exchange and traded on a regulated market — does not encompass Eurobonds. Although the Eurobonds are listed, mostly on the Luxembourg exchange, the international capital market is not a regulated exchange. Only corporate bonds are affected, however, because government and supranational bonds are considered eligible assets for the insurers.

"It's ludicrous," a British banker commented. "It means insurance companies can include all their holdings of Greek government bonds rated triple-B but might not be able to include their holdings of triple-A-rated Unilever paper."

Under pressure from the International Securities Market Association, the international bond market's self-regulatory body, and the International Primary Market Association, Britain's Department of Trade and Industry announced last week that it is empowered to grant temporary concessions "in justified cases" and that it was willing to discuss the possibility of such a concession with any company significantly affected by the restrictions.

Industry officials, aiming to undo the damage and ascertain that legislation in the pipeline in the other 11 countries of the European Union does not repeat the disabling wording, said they "will continue to discuss this situation with a view to reaching a more permanent solution."

While British officials said it was not clear whether the rules currently create a problem for any insurance company, John Langton, secretary general of International Securities Market Association, said the organization's goal is to have the wording changed because as it stands it means "insurance companies would need more capital to hold ISMA product."

Simon Ellen, chairman of the group's committee of reporting dealers, estimated at least half of the British life insurance companies' holdings of sterling-denominated paper, which he estimated at \$25 billion (\$40 billion), is likely to be inadmissible.

Although conditions in all bond markets were turbulent Friday, Mr. Ellen said the sterling market was especially hurt as news of the dispute provoked some panic selling.

### The wording of new British rules discourages the holding of corporate issues.

## U.S. Says Menu Was Prix Fixe

### GE-De Beers Antitrust Case Centers on Brussels Meal

By Douglas Frantz  
New York Times Service

NEW YORK — It started with a dinner between two diamond-industry executives in Brussels two years ago. Next month in a courtroom in Columbus, Ohio, the federal government will argue that what transpired was a crucial act in an international conspiracy in violation of U.S. antitrust law.

Peter Frenz, industrial diamond sales manager for Europe for General Electric Co., sat down with Philippe Liotier at the Royal Windsor Hotel.

Mr. Liotier worked for Diamant Boart, a Belgian company that regularly bought industrial diamonds from GE. What the Justice Department's investigators found intriguing was who owned Diamant Boart and what transpired at the dinner and afterwards.

Diamant Boart is owned in part by De Beers Consolidated Mines Ltd., the South African conglomerate known best for dominating the market for gem diamonds found in rings, necklaces and other jewelry. But De Beers is also GE's major competitor in industrial diamonds — the

rough, gravelly stones that are now mainly synthetic and used in everything from oil-well drilling to precision cutting.

A federal grand jury indictment alleges that during the meal, Mr. Liotier provided Mr. Frenz with a list of upcoming De Beers price increases for industrial diamonds. The GE sales manager quickly relayed them to his superiors in the United States, according to the indictment.

After receiving the information, GE allegedly raised its diamond prices in concert with De Beers. Since the 1980s, the government claims that the two companies dominate the business, the price for industrial diamonds went up worldwide.

The government claims that Mr. Liotier was exchanging information on behalf of De Beers, with Diamant Boart as a subterfuge. GE argues that Mr. Liotier was operating solely as an executive of Diamant Boart and there was no agreement with De Beers to fix prices.

"All the contacts we had with Liotier were contacts with him as our customer, Diamant Boart," said Dan K. Webb, a former U.S. attorney in Chicago, who represents GE. "We never believed that Diamant Boart was acting for De Beers."

And if Mr. Liotier is not an agent of De Beers, there is no crime here.

De Beers also has denied wrongdoing. It will not contest the charges in a U.S. court. On previous occasions, it has proven to be outside U.S. jurisdiction. "We are not involved in the mainstream of American business in any sense at all, so we won't be appearing in court in Ohio," said Brian Cullingworth, an executive with De Beers in Johannesburg.

To the Justice Department, the Brussels episode is crucial.

Anne K. Bingaman heads the Justice Department's antitrust division. Her high-profile pursuit of Microsoft Corp. ended recently with a settlement that seemed a draw at best. The software giant agreed to change some practices the government claimed were unfair, but analysts said the settlement really would not dent Microsoft's dominance of the market for personal-computer operating software.

Jack F. Welch Jr., the chairman of GE, is one of the most respected managers in America. Recently, however, he has been

See DIAMONDS, Page 13

## Inflation Forces China to Raise Deposit Yields

Agree France-Press

BEIJING — China's failure to curb inflation has forced the central bank to announce a 5.62 percent increase in interest rates payable on long-term yuan deposits that came due in October, a report said Sunday.

The People's Bank of China said it would pay the increased rate on savings with terms of three, five or eight years due next month, boosting by 5.62 percent the original interest rates of 13.14 percent, 14.94 percent and 17.64 percent, respectively.

"The high-interest yields on bank deposits are expected to earn the confidence of Chinese who have been worrying that their deposited money is losing value due to the high inflation rate," the report said.

Even with the increase, however, the interest rates remain well below inflation, which hit 27.1 percent in China's biggest cities in August, compared with the similar period last year.

The China Daily said China has revised its 1994 inflation target upward to 15 percent.

The new target, up from the 10 percent set early this year, still appeared unrealistic after the jump in prices in China's major cities. The inflation level was up from 24.2 percent in July, making it the highest since 1988, when discontent about rampant inflation was one of the factors behind the following year's pro-democracy demonstrations that were violently suppressed by Chinese troops.

Li Jiange, an official of the State Securities Regulatory Commission, blamed inflationary pressure in part on spiraling food prices caused by the agricultural sector's weak performance this year as well as rising production costs.

While inflation has consistently defied government efforts, depositors nevertheless feared that rates on savings would fall.

The increase in October's rate announced Sunday, which also applies to Treasury bonds maturing in October, is designed to ease depositor fears that rates would be cut in coming months and instead keep depositors from withdrawing their money and resorting to panic buying that would further fuel inflation.

Observers brought about concern in August by predicting that interest rates would fall as the government's credit-tightening policy began to curb soaring prices.

In an apparent acknowledgment that inflation was not expected to come down soon, the report said that although the so-called subsidiary rate was unlikely to rise above 5.62, it would probably not fall in the near term and would not go below 2 percent before the end of June.

At the end of July, individual bank savings hit 1.83 trillion yuan (\$212.7 billion), up 352.9 billion yuan this year.

### Billions for Oil

China needs to spend nearly \$12 billion to upgrade its oil industry and is looking abroad for funds, the Associated Press reported from Beijing.

Li Zhihong, executive vice president of the China Petrochemical Corp., was quoted by the official China Daily Business Weekly as saying a large amount of foreign capital would be needed to renovate and expand oil production facilities. He did not specify how much foreign capital China planned to try to attract.

Priorities will be given to renovating refineries in coastal regions, where imported crude oil can be processed close to the highly industrialized areas where it is used. China has 20 percent of the world's population but less than 4 percent of its total capacity for processing crude oil, Mr. Li said.

## World Bank India Limits Phone Opening

### Sees Crisis in City Growth Foreigners Forbidden to Control Basic-Services Providers

Compiled by Our Staff From Dispatches

### City Growth

Reuters

WASHINGTON — With the number of people living in cities about to equal rural population for the first time, the World Bank said Sunday that nations must focus efforts on urban pollution and poverty.

"We advocate a people-centered environmentalism, which must focus on cities, because that is where the majority of humanity is going to be living," the World Bank president, Lewis Preston, said on the eve of a conference here on the increasingly filthy air and water in the world's burgeoning cities.

"Protecting the rain forest and protecting biodiversity is important because it will preserve natural resources for the next generation, but cleaning up cities will help hundreds of millions of people right now," Mr. Preston said.

Michael Cohen, a Bank adviser, said it was increasingly clear that tackling so-called green issues and ignoring urban degradation is not effective.

The Bank is sponsoring the conference this week on sustainable urban development.

Urban population in developing countries is growing at a 3.8 percent annual rate and will increase to 3.6 billion in 2020 from 1.4 billion people in 1990.

Mr. Cohen alluded to the population of Goma, Zaire, which exploded with a million refugees. Thousands died from lack of sanitation and clean water.

Twenty-five percent of the world's urban population lives in absolute poverty, the Bank said.

NEW DELHI — India has ended months of suspense by spelling out rules to govern competition in its telecommunications market after opening basic telephone services to overseas and local companies. Some companies said the guidelines still limited their participation.

Telecommunications Minister Sukh Ram said Saturday that only local domestic companies would be permitted to provide basic telephone services, but that foreign concerns could hold up to 49 percent in joint ventures.

Some foreign and local businesses said the rules deny a majority stake in the private telecommunications sector to overseas companies. The policy also keeps long-distance calls within

the exclusive domain of the Department of Telecommunications. Under the rules, only one private telephone network would be allowed to compete with the government in any city.

AT&T Corp., Motorola Inc., U.S. West Inc., France Telecom and Telespina Corp. of Australia are among the foreigners interested in India's market.

Sanjay Kumar of France Telecom said: "We welcome the decision to allow private participation. We hope to be a part of the telecommunications revolution that will hit India."

But Amit Sharma of Motorola said the policy guidelines were "clearly disappointing."

Mr. Sharma, chief of Motorola's central and south Asian

operations, said: "In most countries, when basic services are opened up, the long-distance and international lines are the first to be opened."

Among other rules, licenses for private operators will be granted for 15 years and can be extended for 10 years.

A Telecommunications Regulatory Authority of India will enforce pricing, revenue-sharing and other areas to protect consumers' interests.

Motorola has already said it would enter India's cellular phone and paging markets and has involved the country in its \$3.4 billion Iridium project for a global mobile phone system, which is expected to become operational in 1998.

(Reuters, AFP)

## EU Finance Ministers to Publicly Confess Failures

Reuters

BRUSSELS — In a rare case of public self-humiliation, European Union finance ministers are expected to admit on Monday that virtually all of them have been guilty of negligence in managing their national finances.

The ministers are expected to agree with the European Commission that all except Luxembourg and Ireland breach the Maastricht treaty's rules on the level of national deficits and debts, two key criteria for the creation of a united currency. Even more unusual, they will then ask the commission to tell them what to do to make amends.

"The commission has recommended putting 10 countries on the deficit blacklist," one diplomat said. "On Monday we will accept this without discussions."

It is unclear just how detailed the recommendations will be, but the commission for economic affairs, Henning Christophersen, has hinted they will focus on telling member states to stick to their convergence plans that are designed to get member economies ready for the single currency.

The recommendations will be discussed early next month.

Mr. Christophersen has said he would like the reports to be published once they have been agreed upon by the ministers. Diplomats said that on balance it appears the ministers would agree.

The meeting Monday will also review progress so far in implementing the recommendations contained in the white paper on jobs and growth that was agreed

upon in principle at the EU's summit meeting in December.

Apart from wage restraints, increased labor flexibility, more training and curbing the cost of social protection, the document proposed a major program of public works.

The commission has drawn up a list of 11 priority projects approved in principle by last June's EU summit meetings.

It is now carrying out cost analyses. Decisions are due in December.

The main issue for these so-called trans-European networks is how to bridge any funding gaps that occur.

The commission has proposed raising at least some of the money itself through bonds, but finance ministers are adamantly opposed to that because it would

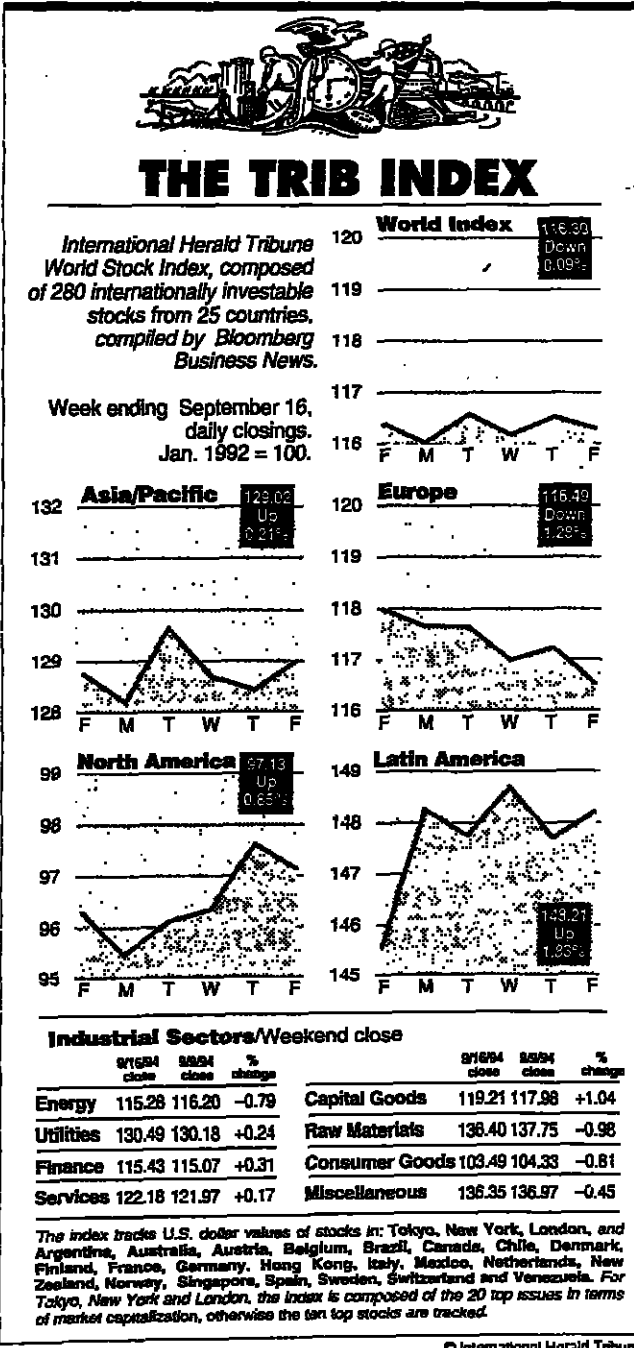
send conflicting signals to money markets when everyone is trying to reduce their debt.

The finance ministers are also due to discuss economic convergence plans submitted by Ireland and Greece.

Mr. Christophersen has said the Irish plan presents no difficulties. Greece, however, continues to have some major problems with debt and inflation.

Diplomats said they expected the Greek plan to be approved with some fairly tough comments.

Monday's meeting will once more try to persuade Italy to drop its veto on increased national contributions to the EU's budget, which was agreed upon in principle at the summit meeting in Edinburgh in December 1992.





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# Erstwhile Secret Posted on Internet

By John Markoff

New York Times Service

SAN FRANCISCO

In an act of business espionage,

someone has anonymously posted

the formula on electronic

bulletin boards on computer

networks around the world.

Executives from RSA said:

"RSA considers this misappropriation

to be most serious. Not only is this

a violation of the Internet,

but its publication is a gross

abuse of the Internet."

Internet is the global web of

computer networks on which

the formula has been circulated.

Although disclosure of the

formula does not necessarily al-

low eavesdroppers to intercept

chines Corp., Lotus Develop-

ment Corp., Microsoft Corp.



Internet  
Bread Com  
Multiplies  
In Georgia  
Eurostars  
At a Glance  
Eurobond Yields  
Weekly Sales  
Libor Rates

## New International Bond Issues

Compiled by Paul Floren

Issuer	Amount (millions)	Mat.	Coup. %	Price	Price and week	Terms
<b>Floating Rate Notes</b>						
Banco Latinoamericano de Exportaciones	\$250	1995	3/4	99.90	—	Over 3-month Libor, Noncallable, Denominations \$10,000, Fees 0.10% (Swiss Bank Corp.)
Bank of Melbourne	\$300	1997	3/4	99.86	—	Over 3-month Libor, Noncallable, Fees 0.15% (CS First Boston)
Okobank	\$100	perpet	1.45	99.80	—	Interest will be 1.45 over 3-month Libor until 1999, thereafter 3.45 over, Noncallable, Fees not disclosed (Kiddie, Peabody Int'l)
Shenzhen Int'l Trust & Investment	\$150	2001	0.64	100	—	Over 6-month Libor, Noncallable, Fees 20% (Denominations \$250,000, [B])
U.S. Guaranteed Finance	m. 350,000	2006	0.10	100	—	Over 3-month Libor, Average life is 5.9 years, Fees 0.25% (Banca Commerciale Italiana)
Samsung Electronics	¥20,000	1999	0.35	100	—	Over 6-month Libor, Noncallable, Fees not disclosed, Denominations 10 million yen, (Daiwa Securities)
<b>Fixed-Coupons</b>						
Abbey National Treasury Services	\$200	1997	7	101 1/4	98.75	Reoffered at 99.95, Noncallable, Fees 1 1/4% (Goldman Sachs Int'l)
CS First Boston	\$150	1998	7 1/2	101.215	100.10	Reoffered at 99.89, Noncallable, Fees 1 1/4% (CS First Boston)
Reed Elsevier	\$200	1999	7 1/2	101 1/4	99.25	Reoffered at 99.55, Noncallable, Fees 1 1/4% (CS First Boston)
SBC Finance	\$200	1997	7	101.657	100.40	Reoffered at 100.47, Noncallable, Fees 1 1/4% (Swiss Bank Corp.)
Tokyo	\$500	2004	7 1/2	99.788	99.05	Noncallable, Fees 0.325% ([B]) Int'l
KFW Int'l Finance	DM 1,000	2004	7 1/2	101.565	100.15	Reoffered at 99.39, Noncallable, Fees 2 1/4% (Westdeutsche Landesbank)
Credit Local de France	FF 750	2004	7 1/2	100.10	—	Interest will be 7 1/2% until 1999, thereafter increase in steps to become 10.05% in 2004, Callable at par in 1999, Fees not disclosed, (Parabank)
Dresdner Bank Finance	FF 2,000	1998	7 1/2	100.966	99.10	Reoffered at 99.566, Noncallable, Fees 1 1/4% (BNP Capital Markets)
Hallifax Building Society	FF 3,000	2001	8	100.93	97.80	Reoffered at 99.38, Noncallable, Fees 1 1/4% (Swiss Bank Corp.)
Swedish Export Credit	FF 500	1996	7	99.99	—	Noncallable, Fees not disclosed, (Parabank Capital Markets)
Thomson-Brandt Int'l	FF 1,000	1997	7 1/2	100.96	99.20	Reoffered at 99.575, Noncallable, Fees 1 1/4% (Bouët G&P)
European Investment Bank	m. 500,000	1997	11.45	101.20	100.30	Noncallable, Fees 1 1/4% (Banca Di Roma)
France Telecom	m. 150,000	1997	11.40	101.225	100.20	Noncallable, Fees 1 1/4% (Swiss Bank Corp.)
Malaba Finance	m. 150,000	1997	11.40	101.20	100.10	Noncallable, Fees 1 1/4% (Banca Commerciale Italiana)
Peugeot Finance Int'l	m. 150,000	1997	12	101.495	100.10	Noncallable, Fees 1 1/4% (Credito Italiano)
ABN-AMRO Bank	DF 350	2004	8	100.075	98.60	Reoffered at 98.50, Noncallable, Fees 2 1/4% (ABN-AMRO Bank)
Commerzbank Overseas Finance	CS 150	1999	8 1/2	101.203	99.67	Reoffered at 99.578, Noncallable, Fees 1 1/4% (Merrill Lynch Int'l)
European Sovereign Int'l	CS 125	1998	8 1/2	101 1/4	98 1/4	Reoffered at 99 1/4, Noncallable, Fees 1 1/4% (Wood Gundy)
Australia & New Zealand Banking	Aus\$75	1997	9 1/2	100.93	100 1/4	Noncallable, Fees 1 1/4% (Barclays de Zeebe Wedd.)
Bayerische Vereinsbank	Aus\$100	2004	10 1/2	100.175	99 1/4	Noncallable, Fees 2 1/4% (Hombro Bank)
Swedish Export Credit	¥22,000	1997	3	99.99	—	Interest will be 3% until Sept. 1995, when issue is callable at par, thereafter 3 1/4%, Fees 0.60%, Increased from 20 billion yen, (Toshiba Int'l)
WestLB Finance (Curacao)	¥10,000	1999	4 1/2	100 1/4	—	Noncallable private placement, Fees 0.25%, Denominations 100 million yen, ([B]) Int'l
<b>Equity-Linked</b>						
Commerce Asset Holding Berhad	\$120	2004	1 1/4	100	—	Semiannually, Redeemable in 1999 to yield a premium up to 10% over Treasury, Convertible at expected 6 1/2% premium, Fees 2 1/4% (Baring Brothers Int'l)
Yang Ming Marine Transport	\$160	2001	1 1/4	100	—	Noncallable, Convertible at an expected 1% to 4% premium, Fees 2 1/4%, Terms to be set Sept. 21, (Baring Brothers Int'l)
Cookson Group	£80	2004	7	100	—	Semiannually, Callable at par in 1999, Convertible at 20% premium per share, a 17.55% premium, Fees 2 1/4% (CS First Boston)
Uniden	¥10,000	1998	3 1/2	100	—	Semiannually, Noncallable, Convertible at an expected 2.51% premium, Fees 2 1/4%, Terms to be set next week, (Daiwa Europe)

## RJR Bonds Offer Clue To KKR's Strategy

By Floyd Norris

**New York Times Service**  
**NEW YORK** — Bond markets may hold the key to the great RJR Nabisco Holdings Corp. paper shuffle aimed at letting Kohlberg Kravis Roberts & Co. get its money out of the largest leveraged deal in history. RJR is now paying an extra \$7 million in interest each year just to keep KKR's options open.

The payment is necessary because of the complicated and interrelated provisions in the myriad of bonds that RJR Nabisco issued when Kohlberg Kravis made it into the biggest leveraged buyout ever five years ago, costing \$25 billion. RJR could pay off \$100 million in 13.5 percent bonds due in 2001 and refinance at much lower rates, but to do so would trigger provisions in other bonds. That would make it hard for RJR to spin off its tobacco operations or pay a big dividend to shareholders.

If it wants to play games like that, it apparently must pay off a different bond issue, the \$1.5 billion 10.5 percent notes of 1991, which it can only do if the 2001 bonds are outstanding. It would be costly to prepay the 1991 issue, said Max Holmes, a Salomon Brothers Inc. analyst, and there is no obvious financial reason to do so. But it seems clear that the reason RJR did not pay off the 2001 bond issue was to preserve its flexibility.

Under what terms can the 1991 issue be paid off? Only if Kohlberg Kravis reduces its voting stake in RJR to less than 40 percent. Its deal last week to acquire Borden Inc. for half of its controlling interest or \$2 billion in RJR stock will accomplish that. But that would have happened anyway in November, when an issue of preferred stock converts to common and gets more voting rights.

The word from RJR is that no decision has been made on whether to try for a tobacco spinoff, and the Borden move is irrelevant to the decision. If RJR moves to refinance the 1991 bonds, you can bet something is up. If it pays off the 2001 issue, you'll know the idea is dead.

For RJR stockholders, the decision by KKR to use half its RJR shares to buy Borden is a depressing sign it no longer thinks much of its biggest deal.

## U.S. Rates Seen Rising by November

Compiled by Our Staff From Dispatches

**NEW YORK** — Many U.S. economists are predicting that the Federal Reserve Board will wait until mid-November before pushing up short-term interest rates, but last week's report on American factory use has them hedging their bets.

"We would not expect the Federal Reserve to move rates higher in September, even though we would be pleased if it did," said Wayne Angell, chief economist of Bear, Stearns & Co. and a former Fed governor.

His comments came after a roller-coaster week for the American inflation outlook. Investors began the week on a cautious note, following the Friday, Sept. 9, news that U.S. producer prices were up 0.6 percent in August, a stronger than expected rise. But on Tuesday of last week, a report that consumer prices for the month were up just 0.3 percent calmed those fears.

After other bits of data reinforced the low-inflation script — a report by a regional Federal Reserve Bank, a drop in jobless claims, a rise in business inventories — the worries about rising prices nearly vanished. But everything changed on Friday, when the Fed said capacity utilization at U.S. factories was 84.7 percent. That was far worse than the 84.1 percent that bond traders had expected, and even that level was considered dangerous because a level of 84 percent has been associated with inflationary pressures in the past. The situation was exacerbated by a revision in the

July utilization rate, to 84.3 percent from 83.9 percent, which meant the rate had been above 84 percent for two months. August industrial output also was a stronger-than-expected 0.7 percent, above estimates of 0.5 percent.

The high level of capacity utilization, and the potential bottlenecks it suggests, fueled fears that economic growth would inevitably result in rising prices.

When the dust settled on Friday, the yield on the benchmark 30-year Treasury bond was 7.78 percent, up from 7.71 percent the previous week.

Now that the 30-year bond has broken above the 7.75 percent yield that had

October, mainly if the next labor market report is strong.

The plethora of economic data released last week will not be repeated this week, so the bond market will have to look elsewhere for direction.

The head of one Treasury trading desk said the U.S. market could be dominated by the European credit markets this week. He attributed early Friday losses in Treasuries, before the capacity utilization data came out, to a sell-off in Europe. He said the European markets were just beginning to experience the kind of breakdown the U.S. credit market went through earlier this year.

Domestically, traders expect the next big influence to come a week from now, with Treasury note auctions on Sept. 26 and the meeting of the Fed's policy-setting Federal Open Market Committee on Sept. 27.

Many analysts said that, if the Fed could not wait until Nov. 15 to raise rates, it would likely move between FOMC meetings, most likely in mid-October. Only a few predicted the Fed would act at the Sept. 27 meeting.

Economists foresaw the federal funds rate on overnight loans between banks, which is influenced by the Fed, rising to 5.25 percent at the end of this year from the current 4.625 percent. They also predicted the Fed's discount rate, which it charges on loans it makes to banks, would rise to 4.50 percent from the current 4.00 percent.

(Knight-Ridder, Reuters, NYT, AP)

### U.S. CREDIT MARKETS

served as the top of its trading range for the past four months, the return is expected to head toward 8 percent.

Meanwhile, because the capacity usage statistics added to the evidence favoring a Fed interest rate increase, short-term yields are expected to continue to rise in anticipation of the next tightening. The two-year Treasury note, for example, returned 7.12 percent on Friday, up from 6.32 percent a week earlier.

"Capacity utilization certainly got me thinking," said Dana Johnson, head of capital market research at First Chicago. "The risk is that the Fed may move in

## Salomon's Pacific Headache: Derivatives

By Susan Antilla

**New York Times Service**  
**NEW YORK** — The derivatives meltdown of 1994 has not been much fun for any of the small investors who got caught in what should have been solely a big players' game.

Just talk to investors who never would have imagined their safe money market funds could fall below \$1 a share. But few individuals felt the sting of derivatives as badly as those who used brokers in a Hong Kong office of Salomon Brothers Inc.

With Saloman's guidance, customers in San Francisco, Hong Kong and Singapore purchased millions apiece in securities typically reserved for professional investors — collateralized mortgage obligations, a kind of security created from pools of home mortgages.

These complex securities rise and fall in conjunction with interest rates. When interest rates rose in February, Saloman's customers faced huge losses without the comfort of an insurance-conscious mutual-fund company that might provide a bailout.

But why did retail investors buy the risky stuff that would

up toppling Wall Street giants in the first place?

For one thing, Saloman told investors that the potentially volatile investments were safe, claiming they had no "market risk." But CMOs have great interest-rate risk.

Hong Kong investors who bought the pitch are now attempting to settle with Saloman after having filed with the National Association of Securities Dealers to arbitrate against the firm.

Four other investors in San Francisco — including one who borrowed on his credit cards to make the investment — have filed a separate arbitration complaint. An attorney for a Singapore investor was preparing another arbitration complaint last week when Saloman suggested settlement talks.

"The Hong Kong problem," as it has become known at Saloman's New York headquarters, is just one of the headaches plaguing the investment firm. In July, it reported a quarterly earnings plunge of more than \$200 million because of losses in stocks and bonds. Also in July, it settled a lawsuit for \$100 million alleging that it had violated antitrust laws in a 1991 Treasury bond scandal.

Ray Pfeffer, lawyer for the San Francisco investors, estimated that \$100 million in mortgage-backed securities may have been sold to retail investors through the Hong Kong office. While not all those investors would have incurred losses, Mr. Pfeffer questioned whether they were appropriate investments for individuals.

The complaints of the Singapore investor are of particular interest because of the timing of the trades. The investor bought \$11 million of derivatives on margin in February. By March, the investor was already being dunned \$1.2 million because the securities' value had declined.

But even as the Singapore investor was awaiting settlement of his trades, a Saloman executive from New York was poring over the books of the troubled Hong Kong office to better understand the firm's liability in dozens of other problem accounts containing derivatives.

Jonathan Kord Lagemann, the lawyer for the Singapore investor, contends that the executive was thus in a position to have canceled the client's pending trades or warn him about the risk he was taking.

But Mr. Lagemann said he thought Saloman had an incentive to lowball the value of customers' derivatives so that it could accelerate margin calls and reduce its own financial risk as a lender to its customers. When the value of securities purchased on credit declines, investors must provide additional capital, responding to margin calls, to raise their down payments to acceptable levels.

Saloman Party Pooper

A party planner for Saloman Brothers investment firm who had pleaded guilty to bilking her employer of \$1.1 million, has been sentenced to five years probation and ordered to undergo psychiatric counseling. Reuters reported from New York.

Kathy Tompkins, 38, had used more than \$1.1 million she stole from the Wall Street firm to buy herself designer clothes and jewelry from such fashionable stores as Saks Fifth Avenue and Bergdorf Goodman.

At her sentencing Friday, Ms. Tompkins apologized to her former employer for the trouble she caused.

## DOLLAR: Financial Roller Coaster Gets Ready for One More Plunge

Continued from Page 1

que Indosuez. "As dollar bonds continue to fall, so the probability of a final low on the dollar toward 1.47 Deutsche Marks increases."

The dollar fell Friday on the economic news to a low of 1.5305 DM but recovered to close at 1.5445 DM in New York.

Traders didn't read much into the rebound. Trading at the end of the week is usually thin and volatile, and the normal

tendency to close positions before the weekend was accentuated by rumors of intervention by the Federal Reserve Board and heavy buying by hedge funds.

The focus of the week was not the dollar's wobbliness, but the strength of the Swiss franc. The mark and the Swiss franc gained 0.5 percent against the dollar over the week, but the franc rose 0.4 percent against the mark — a four-year high. The Swiss franc is now up nearly 3 percent

against the mark from the start of the summer, with most of the gains in the past month. The franc is expected to continue rising as the German election approaches, analysts said.

But looking beyond the immediate worries and possible upsets, analysts said, the next surprise — the one likely to signal the end to the gloom in financial markets — is a sharp slowdown in the economic growth rate, which will relieve worries about inflation.

## DIAMONDS: GE-De Beers Antitrust Case Centers on a Meal in Brussels

Continued from Page 11

stung by questions raised about his managerial acumen because of a trading scandal at the company's Wall Street subsidiary: Kidder, Peabody.

Earlier this year, Mr. Welch met Ms. Bingham in Washington and tried to convince her that the government had no case. She offered a settlement. Both left dissatisfied.

In an internal memo, Mr. Welch denounced the indictment as outrageous. "No one who has looked at it, other than them, thinks it has any element of criminality," Mr. Welch said in angry tones. "Look, we could have settled this case. When we have an issue, we go down and we settle up. We believe we are so right on this one."

The case is focusing attention on the once-quietly profitable world of industrial diamonds. For GE and De Beers, the diamonds have generated steady cash streams, with high margins and few competitors.

At GE, while industrial diamonds account for only a fraction of its \$60 billion in annual revenue, they have been a consistent source of profits — \$167 million in the years from 1986 to 1989 alone.

But competitors have sprung up in Germany, Japan and South Korea as others have figured out how to produce synthetic diamonds. So GE and De Beers watched their dominance gradually erode, with market share slipping to about 80 percent.

Working in strict secrecy, GE engineers won the world contest to produce synthetic diamonds in 1954. Now, the company has a reputation for aggressively guarding its diamond business. In a recent campaign against a foreign company suspected of using stolen GE technology, the company launched what its general counsel described as "trench warfare."

GE enlisted the services of everyone from private detectives who sifted through the trash of a former GE scientist to top American trade officials, and even former Secretary of State Henry A. Kissinger.

During World War II, the Justice Department accused De Beers of refusing to sell the American government enough natural diamonds for weapons production, and it also said De Beers overcharged.

When GE developed a synthetic diamond, the impact was immediate at the offices of De Beers Consolidated Mines, the South African cartel that controlled every aspect of the world diamond trade. De Beers embarked on a crash program,

but the company was unable to duplicate the American alchemy.

By the early 1960s, however, De Beers was supplementing its natural diamonds with synthetic versions. GE sued for patent infringement. De Beers paid \$8 million and royalties to license the GE technology.

The two companies then proceeded to divide the world market into a duopoly that stood for three decades. De Beers' lurking fear, however, was that GE would turn its efforts to producing gem-quality diamonds, which could devastate the \$4 billion-a-year gem business that generated the vast bulk of the cartel's profits.

After years of experimenting, however, GE determined that producing gem-quality diamonds was not economical, according to Joyce Hergenhan, a GE spokeswoman. Production of synthetic diamonds now outstrips the mines by 3 to 1. But gem-quality synthetics remain an unfulfilled promise.

In the early 1970s, De Beers attracted the attention of the Justice Department. Investigators suspected it was trying to gain control of American distributors for industrial diamonds. But, as in the past, the cartel proved to be outside the jurisdictional reach of the Justice Department.

"We hired a solicitor to serve some papers on De Beers in South Africa and the company representative tore them up," said Joel Davidow, who was a Justice Department lawyer at the time.

GE makes diamonds in Worthington, Ohio, in a single-story building surrounded by a high fence. Employees must sign confidentiality agreements not to disclose the technology.

In the summer of 1989, GE suspected a security breach. A caller wanted to hire Joe Elliott, a GE technician, to oversee diamond production for an unnamed foreign manufacturer. Mr. Elliott's superiors advised him to play along.

From the return address on an employment contract mailed to Mr. Elliott, private detectives discovered that it was sent by Chien-Min Sung, manager of GE's diamond operations until he resigned in 1984.

In mid-June, Mr. Elliott and the detective arrived at a hotel expecting to find Mr. Sung. Instead they met the president of a subsidiary of Ijion Corp., a major Korean manufacturing conglomerate.

For seven weeks, private detectives sifted through trash bags left outside Mr. Sung's home in a Boston suburb. Among the gar-

bage were shredded documents. When reassembled, the papers proved to be GE technical plans for manufacturing diamonds, according to court testimony.

GE sued Ijion and Mr. Sung for the return of its technology. It also turned over the evidence to the U.S. attorney in Boston, leading to Mr. Sung's quick indictment for selling GE trade secrets. The \$1 million, Mr. Sung pleaded guilty, but Ijion argued it had developed much of its own technology. GE responded with a campaign to pressure Ijion out of the business.

GE persuaded the two top American trade officials at the time, the U.S. trade representative, Carla A. Hills, and Secretary of Commerce Robert A. Mosbacher, to argue its case in talks with Korea. GE even brought in Mr. Kissinger as a consultant to warn Korean officials that they faced retaliation unless Ijion returned the technology.

A year ago, at a civil trial in Boston, the jury agreed with GE. The companies reached a settlement in which Ijion pays a licensing fee.

Edward J. Russell, once one of GE's 127 corporate vice presidents worldwide and the head of its diamond division, helped to put GE opposite the government. Mr. Russell was fired, and responded with lawsuit saying he was dismissed for complaining about price fixing by GE and De Beers.

The Justice Department opened an investigation in Columbus, near the GE plant. The inquiry was hampered because many witnesses and records were in Europe.

In the spring of 1993, agents learned that an executive of a De Beers affiliate was attending the Masters golf tournament in Georgia as a GE guest. The executive was taken into custody, flown to Columbus and put before the grand jury.

But after negotiations with GE, Mr. Russell agreed to dismiss his suit and signed an affidavit swearing he had no "personal knowledge" that the company had fixed prices.

By this time, however, the government felt its evidence was strong enough to support criminal charges. GE and De Beers Centenary A.G., a De Beers affiliate in Switzerland, were indicted on Feb. 17, along with Mr. Frenz and Mr. Liotier.

Mr. Frenz, a German, and Mr. Liotier, who is French, are not expected to appear in court. While the other defendants will be absent, however, General Electric will be there.

## MINORCO

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- Operating earnings increased by 43% to US\$201 million - strong contributions from the Industrial Minerals and Agribusiness sectors.
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- Investment disposals realised US\$508 million and Minorco invested US\$480 million in existing and new businesses.
- Major projects commenced - expansion and redevelopment at Mantos Blancos in Chile and construction of a major newsprint facility at Aylesford Newsprint in the UK.
- Encouraging results from the continuing evaluation of five major base metals and gold projects in South America.
- In August 1994, Terra announced the proposed acquisition of Agricultural Minerals and Chemicals - more than doubling its production of nitrogen fertilisers and establishing it as a US major producer of methanol.
- Second interim dividend of 38US cents per share.

### FOR THE TWELVE MONTHS TO JUNE 30

US\$ millions: (unaudited)	1994	1993 Restated
Sales	3,136.1	2,776.4
Operating earnings	200.5	139.8
Earnings before taxation	308.8	340.0
Earnings before extraordinary items	221.9	251.9
Earnings after extraordinary items	226.3	339.7
US\$ per share:		
Earnings before extraordinary items	0.99	1.12
Dividends declared	0.57	0.57

\*Based for the current and prior periods on 225.3 million shares in issue.

### SECOND INTERIM DIVIDEND

A second interim dividend of 38US cents has been declared in respect of the 18 month period to December 31, 1994 and is payable on November 9, 1994 to shareholders of record on October 13, 1994. A second interim report for the twelve months to June 30, 1994 will be mailed to the shareholders on or about September 27, 1994. Copies may be obtained from the UK transfer agent, Barclays Registrars, Bourne House, 34 Bedford Row, London, EC4A 3DF, England.

## MINORCO

MINORCO SOCIETE ANONYME, LUXEMBOURG, SEPTEMBER 15, 1994



## Belgium to Replace Phone Executives

Compiled by Our Staff From Dispatches

**BRUSSELS** — The government plans to change the top management of Belgacom EPA, the state telephone company, which has been hurt by scandals and internal strife, Elio di Rupo, the telecommunications minister, said Sunday.

He said the change should occur when Belgacom becomes a limited liability company, probably with operating autonomy, in about four to eight weeks.

"Our intention is to start with a clean slate," Mr. di Rupo said. "The government must have the possibility to name a new team," he said.

The government said in

March it was seeking a partial privatization of the company, either with an industrial partner taking a minority stake or by floating stocks on the market.

In the past weeks, Belgacom alleged mismanagement and a clash of personalities between Bessel Kok, the chief executive officer, and Benoit Remiche, head of the supervisory board.

Last week, Mr. di Rupo canceled an administrative council meeting after he was told by five of six members of Belgacom's executive committee they no longer had confidence in Mr. Remiche.

(Reuters, AP)

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TR EUROPEAN HARMONY FUND will pay a dividend of USD 0.50 per share on September 21st, 1994.

Shares are traded Ex-dividend as from September 19th, 1994. The dividend is payable to holders of bearer shares against presentation of coupon no. 6 to the following:

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### BusinessWeek

#### This week's topics:

- Telecommunications: The Global Free-For-All
- A Grim Diagnosis For Biotech
- More U.S. Investment Is Flowing In To Russia
- Back To Business In Belfast?
- Japan's Messed Up Market

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## WORLD STOCKS IN REVIEW

Via Agency France-Press

### Amsterdam

U.S. data that raised raising fears of inflation pushed prices lower in the dollar-sensitive Amsterdam shares market last week, with the AEX index dropping 5.39 points, to 407.58 points.

Trading was heaviest Friday when the market lost 4.03 points, brokers said.

The publishing companies Elsevier, VNU and Wolters Kluwer fell sharply and DSM, the chemicals maker, was hit at the end of the week by profit-taking after a recent rally.

Among the international shares, Akzo Nobel renewed the previous week's falls to drop 5.90 guilder to 206.80. Royal Dutch/Shell fell 2.70 guilder to 192.20.

Philips fell 1.90 guilder to 55.60 and Unilever fell 5.90 guilder to 196.30.

### Frankfurt

Frankfurt stocks fell sharply last week, depressed by fears of revived U.S. inflation, a weak dollar, and growing doubts that the Bundesbank will further reduce interest rates.

The DAX index managed a small rally on Friday, when it gained 0.22 percent, but it finished the week with a loss of 66.42 points, or 3 percent, compared with the previous Friday's close.

Commerzbank said the market would remain under "interest-rate pressure" for the near term. Yields on the capital market have now reached a critical level, it said, and only a pricking of the "interest rate bubble" will make the share market attractive again.

In the banking sector, Deutsche Bank ended the week at 703 DM and Commerzbank at 314 DM.

### Hong Kong

Stock prices dipped in Hong Kong last week but dealers said they expected the market to pick up this week and predicted the Hang Seng Index will break the 10,000 mark again later this week.

The blue-chip barometer went into the weekend at 9,968.52, down 176.50, or 1.74 percent, but it looked firmly on a recovery

track after gaining 122.12 on Thursday and Friday.

Wall Street's recovery, as the U.S. inflation fears eased late in the day, proved a stronger factor than renewed Sino-British squabbling over Hong Kong's future or the decision by three Jardine Matheson units to delist next March.

Daily turnover averaged 4.26 billion Hong Kong dollars (\$51 million US), compared with 5.87 billion dollars the week before.

### London

The London Stock Exchange fell last week, reacting to a half-point rise in British interest rates up to 5.75 percent, a jump in inflation and several disappointing company results.

The Financial Times-Stock Exchange 100 index fell 74.2 points to 3,063.1 on Friday, down 2.3 points, taking the index to its lowest level for two months.

Shares slumped sharply the first three days of the week with the rise in interest rates was reasonably well received on Monday but dealers then took fright after a surprise jump in 12-month inflation to 2.4 percent and a higher-than-expected fall in unemployment — of 34,000.

In pharmaceuticals, Fisons slumped 28 pence, to 123 after first-half pre-tax profits dropped 26.7 percent.

Next, the retailer, fell 18.5 pence to 243, despite a 60 percent jump in six-month results, after it issued a cautious statement for the next few months.

### Milan

Prices rose against the trend in Europe last week and the Mibtel index jumped 3.23 percent, to 10,784 points.

The change in mood on the market, which has fallen sharply in recent weeks, followed a meeting between government and union officials averting threats of a general strike.

Fiat, Generali and Montedison all rose sharply. Fiat jumped 3.25 percent. Montedison gained 5.7 percent on the week after it said it had returned to profit.

### Paris

Paris shares hit their lowest level since November 1993 last week, depressed by US news on inflation, which dampened hopes for interest rate cuts in the U.S. and Europe and sent the CAC-40 index dropped 1.24 percent to end the week at 1,924.59.

Since the start of the year, the market has lost 15.15 percent and since the start of the current trading month the market has dropped 4.07 percent.

### Singapore

Share prices slipped slightly on the Stock Exchange of Singapore last week in quiet trading with most interest concentrated in Malaysian speculative counters.

The key market indicator, the Straits Times Industrials index ended the week 2.78 points lower, at 2,297.18, while the broader-based All-Singapore SES index fell 1.78 points, to 569.98 points.

### Tokyo

Share prices fell in Tokyo last week as a number of major investors sold their holdings to window-dress earnings results for the six months to September.

The 225-issue Nikkei Stock Average closed the week at 19,796.26, down 101.62 points or 0.5 percent from a week earlier.

The broader Tokyo Stock Price Index of all first-section issues shed 10.39 points to end at 1,576.21.

### Zurich

Shares fell with the Swiss Performance Index down 20.07 points or 1.1 percent, to 1,723.62 points.

Dealers said the market was led by U.S. interests and that foreign investors dominated trading.

Nestlé fell 17 Swiss francs to 1,200 despite news of satisfactory results in line with expectations.

Among the banks, a key sector in the market, UBS dropped 14 francs to 1,191, SBS fell two to 376 and CS Holding lost nine to 364.

## Sigh of Relief for Exxon

New York Times Service

**NEW YORK** — Exxon Corp. stock seems likely to benefit from the ruling late Friday that kept the punitive damages it had to pay for its Alaskan oil spill to \$5 billion. Fear of the worst, a \$15 billion award, had pushed the stock down since the Exxon Valdez trial began last spring.

But after a federal jury in Anchorage, Alaska, announced an award of \$5 billion on Friday, there was a sigh of relief on Wall Street. Even though the New York Stock Exchange had closed for the weekend, other markets open, and within minutes, the stock rose \$1.50.

Exxon's shares closed regular trading Friday at \$58.625. The shares ended 1993 at \$63.125.

Stock market analysts said that when trading on the New York Stock Exchange opens Monday, the stock should continue going up. They said the award would not harm Exxon, which earned \$5.3 billion last year and has \$2 billion in cash.

"The scary part that the jury could award \$15 billion or higher is now behind the company," said Fred Leuffer, an oil analyst for Bear Stearns Co. "Today, the worst-case scenario is \$5 billion."

Some analysts think that Exxon has a good chance of getting the jury's award lowered either on appeal or by asking Federal Judge H. Russel Holland to adjust the amount.

### For investment information

Read the MONEY REPORT  
every Saturday in the IHT

### CONFERENCES, COURSES AND EXHIBITIONS

OCTOBER 14	OCTOBER 4, 5 & 6	FEB. 16-18
<b>Monte Carlo Business Forum</b> As part of the 4th International Fair of Monaco, the Monte Carlo Chamber of Commerce and Industry, the Board of Trade and Industry, the Montenegro-Belgium Association, the Real Estate Chamber, the Chamber of Commerce and Industry, the Bar Association, invites you to attend a series of conferences on the Montenegro business opportunities. The entrance is free. Special rates for an extended weekend in Monte Carlo can be provided upon request. Enquiries: JEUNE CHAMBRE ECONOMIQUE DE MONACO B.P. 13 MC 98001 MONACO CEDEX Tel: (33) 92 05 54 00 - Fax: (33) 92 05 31 29	<b>National Business Aircraft Association 47th Annual Meeting &amp; Convention</b> The most important marketplace for business aviation in the world, the NBAA Convention spans nearly one-third mile of indoor exhibit space. An impressive array of aircraft, services, engines and accessories are displayed in abundance. Modification specialists, component manufacturers, service and support organizations are well represented among the nearly 700 exhibitors who fill the massive halls. An estimated half-billion dollars worth of aircraft gear is shown at the Static Display Airport. Contact: Kathleen Hird, NBAA Washington, D.C., U.S.A. Tel: (202) 783-9282 Fax: (202) 862-5552	<b>Societies in Crisis and Mental Health</b> Leading European psychiatrists, psychologists, economists and sociologists will examine the mental health effects on society of unemployment, immigration and violence. Sponsored by European Social Ministries and International Social Organizations. Conference organizers seek socially-aware companies to develop symposia illustrating their efforts to help solve these problems. Contact: Mercure Communication International Tel: (33-1) 42 99 17 70 Fax: (33-1) 45 63 25 68
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**Herald Tribune**

## SHORT COVER

### German Production Expected to Rise

**FRANKFURT (Bloomberg)** — German industrial production in the Western sector is expected to gradually pick up this year and in 1995, a German research institute has said.

Businesses expect production to climb by 2.75 percent this year and by 3.5 percent in 1995, according to the results of a survey conducted by the Ifo Institute for Economic Research.

Meanwhile, in Leipzig, the economics minister, Günther Rexrodt, said there was room to lower Germany's bank-lending rates, but he was unsure if the Bundesbank would choose to do so.

### Wife Says Sony Chief Is Recovering

**TOKYO** — The Sony Corp. chairman, Akio Morita, 69, is recovering from a stroke he suffered last November and is monitoring his company's business performance, a newspaper has reported.

His wife, Yoshiko, told the Sankei Shimbun that he spent the summer rehabilitating at his home. She said Mr. Morita was now able to write his name in English and enjoyed playing tennis.

Mr. Morita was expected to take the top post in the influential Japan Federation of Economic Organizations, which is now headed by Shoichiro Toyota, president of Toyota Motor Corp.

### Ex-Guinness Head's Trial Said Unfair

**LONDON (Reuters)** — The trial of the former Guinness PLC chairman, Ernest Saunders, on company-fraud charges will be ruled "unfair" by the European Commission of Human Rights this week, British newspapers said Sunday.

Mr. Saunders was sentenced to five years in prison in 1990 on 15 counts, including false accounting and theft, in connection with Guinness's takeover of a rival firm in 1986. He was freed in 1991 after serving one third of a sentence previously reduced on appeal.

Mr. Saunders complained that statements obtained from him under compulsory powers by the Department of Trade and Industry were used against him at trial. The government said Mr. Saunders was assisted by his legal advisers during questioning.

### Sports Executive Invokes the Fifth

**LOS ANGELES (AP)** — The president of the Los Angeles Kings hockey club, Bruce McNall, under investigation by a U.S. grand jury for bank fraud, repeatedly invoked his Fifth Amendment right against self-incrimination at a bankruptcy hearing when asked if he hid funds overseas.

Mr. McNall refused to answer when asked if he had transferred large sums of money to bank accounts in Switzerland, England and Liechtenstein. Most of the questions came from the lawyer for Mr. McNall's largest creditor, Credit Lyonnais Bank Nederland. The bank claims to be owed more than \$121 million.

He sold his 72 percent interest in the National Hockey League team last spring to Joseph Cohen and Jeffrey Sudikoff.

### Cycle & Carriage to Buy Jardine Unit

**HONG KONG (Bloomberg)** — Jardine Matheson Holdings Ltd. plans to sell its 75 percent stake in Jardine International Motor Holdings for about 4 billion Hong Kong dollars (\$513 million) to Cycle & Carriage, the South China Morning Post reported.

Cycle & Carriage, which is 24 percent owned by another Jardine company, Jardine Strategic Holdings Ltd., distributes Mercedes-Benz cars in Singapore and Malaysia. Jardine Motors has the Mercedes franchise in Hong Kong and a distributorship in China.

All of Jardine's Hong Kong listed companies except Jardine Motor have announced plans to delist from the local stock exchange within the next six months.

### Autoworkers Call Off Strike in Brazil

**SAO PAULO (Bloomberg)** — About 53,000 Brazilian autoworkers accepted a bonus and agreed to return to work Monday, taking the wind out of the first strike to test the government's 75-day old economic program.

The autoworkers agreed to a productivity bonus of equal to 59.5 hours of pay, ending a weeklong strike at Autolatina Brasil SA, a joint venture of Volkswagen AG and the Ford Motor Co., and the Brazilian truckmaking units of Daimler Benz AG, Toyota do Brasil SA and Scania do Brasil Ltd.

About 10 parts manufacturers refused to grant the bonus to 11,000 workers, who remained on strike. The strike began Sept. 12 over demands for salary increases and a return of monthly cost-of-living adjustments.

### For the Record

Enichem SpA and Norway's Norsk Hydro broke off talks to merge their fertilizer activities in southern Europe, Il Sole-24 Ore newspaper reported.

Customs duties on imported manufactured goods in Tunisia have been reduced to 10 percent from 15 percent, President Zine Abidine ben Ali announced. (Reuters)

### Simint Says Loss

#### Eclipsed Capital

Bloomberg Business News

**ROME** — The Italian fashion company Simint SpA said Sunday that inventory write-downs forced it into a heavy loss in the year ending April 30, almost wiping out its capital.

The company, controlled by the designer Giorgio Armani and institutional investors, said it lost 221.5 billion lire (\$141 million) in the year to April 30, compared with profit of 1.6 billion lire in the previous year.

Simint said its shareholder equity would shrink to 1.03 billion lire from 105 billion a year ago. The loss was swelled by charges from the sale of U.S. operations.



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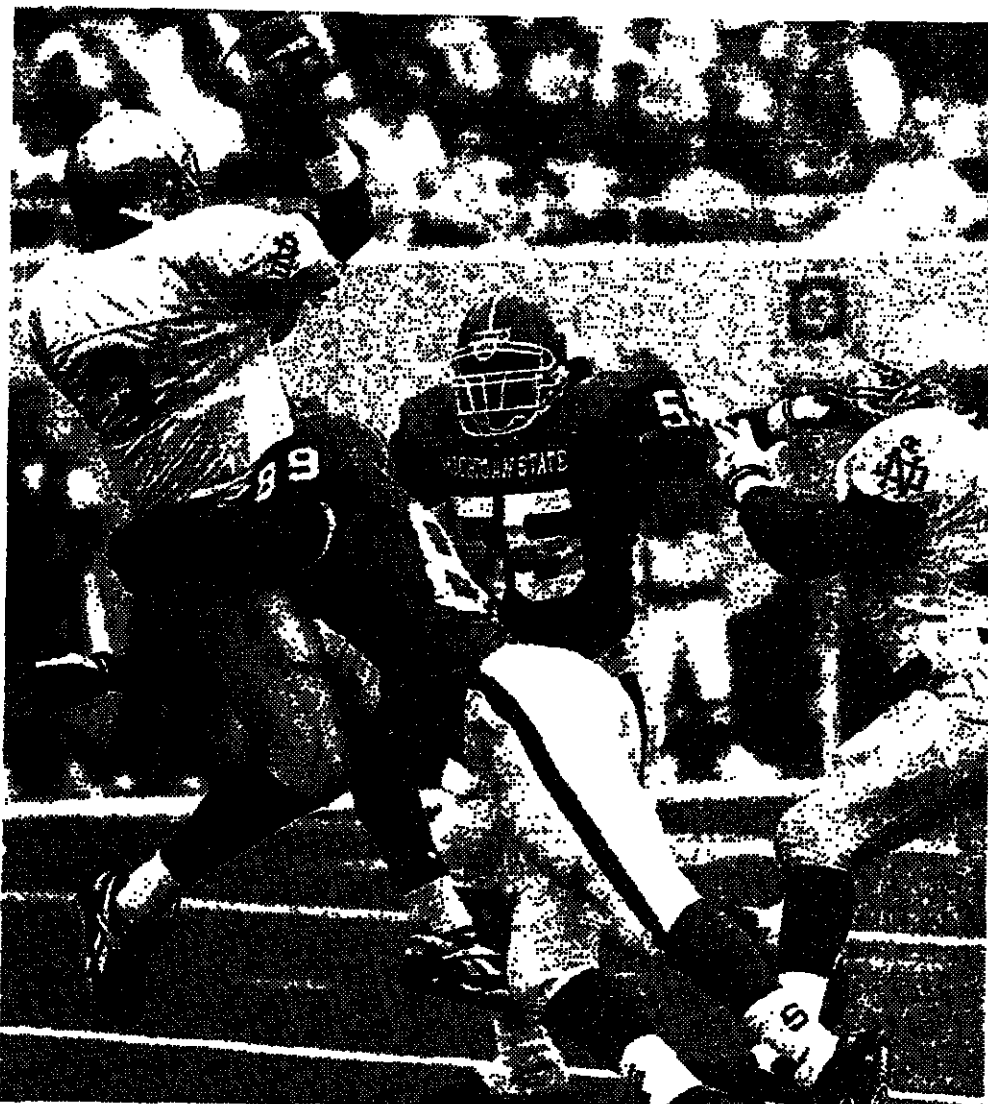










MONDAY  
SPORTS

Notre Dame's Ron Powhus under heavy pressure from the Michigan State defense.

## Dolphins' Kirby Rushes Past Jets, 28-14

The Associated Press

Interceptions, ingenuity and Terry Kirby helped the Miami Dolphins dominate the New York Jets on Sunday in a National Football League game in Miami.

Kirby rushed for 100 yards, an injury-plagued defense intercepted four passes and Keith Jackson improvised a lateral for a touchdown as unbeaten Miami handed New York its first loss, 28-14.

Miami (3-0) took sole possession of first place in the American Football Conference East. New York fell to 2-1. Dan Marino completed 23 of 31 for 289 yards and two scores. Jackson had his first 100-yard game in three seasons with Miami.

The Dolphins celebrated the NFL's Throwbacks Weekend by wearing uniforms from their 1972 perfect season, and at times, Miami looked like that run-oriented team. Kirby, a second-year pro, carried 15 times for his first 100-yard game, helping Miami keep the ball away from the Jets and wearing down their defense on a hot, sunny day.

Jackson caught six passes for 100 yards and contributed the most memorable play. He avoided being tackled at the 1-yard line by tossing a lateral to Irving Fryar, who scored for a 21-7 lead.

The Dolphins defense, depleted by injuries at linebacker and cornerback, nonetheless frustrated New York and quarterback Boomer Esiason, who threw all four interceptions.

Bills 15, Oilers 7: In Houston, Buffalo's Jim Kelly and Andre Reed played a game of catch to set up five field goals by Steve Christie, and Bruce Smith squashed Houston's offense with four sacks. The Bills (2-1) got their third

straight victory over the Oilers, who have started the season 0-3 for the first time since 1984.

Smith battered quarterback Bucky Richardson all afternoon and delivered a jolting blind-side sack late in the third quarter that killed an Oilers drive at the Bills' 27. Smith's sacks resulted in 28 yards in losses. It was his second four-sack performance; the other was against Indianapolis in 1990.

Eagles 13, Packers 7: While Reggie White watched from the Green Bay sideline in his return to Philadelphia, the Eagles defense chalked up six sacks, two

## NFL ROUNDOUP

interceptions and a forced fumble. Bill Romanowski, William Fuller and Burt Grossman, three veterans brought in to replace departed free agents White, Clyde Simmons and Seth Joyner, keyed a defensive effort that kept the Packers (1-2) off the board for the final three quarters.

The Eagles (2-1) scored on two 26-yard field goals from Eddie Murray and a 1-yard run by Randall Cunningham.

White, defensive end, was consistently double- and triple-teamed in his first game in Philadelphia since signing a \$17 million contract with the Packers before last season.

Vikings 42, Bears 14: In Chicago, Minnesota celebrated the past by delivering an old-fashioned beating. The Vikings overwhelmed the Bears with basic football that included the passing of Warren Moon, the running of Terry Allen, the receiving of Cris Carter and an 81-yard interception return by DeWayne Washington.

Chicago (1-2) had trouble bringing down Allen and containing Carter. Carter had eight catches for 79 yards in the first half, when the Vikings took a 10-0 lead. Allen, who had two touchdown runs, gained 159 yards on 22 carries.

Moon completed 22 of 29 passes for 236 yards as the Vikings offense, which had only one touchdown entering the game, got untracked.

Saints 9, Bucs 7: In Tampa, Florida, Morten Andersen kicked three first-half field goals and the New Orleans defense, which yielded 68 points in the first two weeks of the season, made them good.

The triumph enabled the Saints (1-2) to avoid their worst start in 14 years, while denying Tampa Bay (1-2) — which missed a 54-yard field goal as time expired — what would have been its most promising start under Coach Sam Wyche.

Andersen kicked field goals of 43 and 31 yards in the first quarter and Jim Everett threw 31 yards to Wesley Walls to set up another 43-yard kick just before the half for a 9-7 lead.

Browns 32, Cardinals 0: In Cleveland, Buddy Ryan, the longtime defensive coordinator-turned-head coach, could have learned a few things from Cleveland's Bill Belichick. It was the first time Ryan was blanked in his six seasons as a head coach, including five at Philadelphia.

Arizona (0-3), uninspired by Ryan's decision to start Jim McMahon at quarterback in place of Steve Beuerlein, was shut out for the first time since 1991. The Browns (2-1) got their first shutout at Cleveland Stadium since 1983 and their first on any field since 1991.

Vinny Testaverde, stung by six inter-

ceptions in his previous two games, ran for a touchdown and passed for two more, including an 81-yard catch-and-run by rookie Derrick Alexander in the fourth quarter.

Patriots 31, Bengals 28: In Cincinnati, Drew Bledsoe's perfect 34-yard touchdown pass to Michael Timpson overcame more misadventures by a hold-your-breath pass defense.

Bledsoe had his fourth straight 300-yard game in an offense that has become decidedly un-Bill Parcells and is throwing nearly every down. The second-year quarterback completed 30 of 50 for 365 yards, setting his receivers up for another round of big numbers.

Timpson and Ben Coates each went for more than 100 yards receiving for the second straight week by making big plays after big plays.

The Patriots (1-2) needed the high-powered passing and seven sacks by the defensive front to overcome a third straight awful showing by the secondary. Cincinnati (0-3) scored three times because of breakdowns in the secondary.

Steelers 31, Colts 21: In Pittsburgh, Barry Foster ran for 179 yards and a touchdown in his biggest game in more than two years to upstage Marshall Faulk.

Bam Morris, Foster's rookie backup, scored once and turned a routine screen pass into a 49-yard gain ahead of Neil O'Donnell's go-ahead 8-yard touchdown pass to John L. Williams.

Ronald Humphrey returned the opening kickoff 95 yards and Quentin Coryatt returned O'Donnell's fumble 78 yards to make it 14-0 in the second quarter.

## Nebraska Offense Routs UCLA

By Malcolm Moran

New York Times Service

LINCOLN, Nebraska — If the Nebraska Cornhuskers can continue to play as remarkably as they have, the keeper of the Heisman Trophy might have to find an innovative way to reward greatness this season. Just give it to the Huskers' offensive line, and let each member keep a fimb.

Nebraska's 49-21 victory over UCLA on Saturday, its third of a convincing early stretch of the college football season, saw the Huskers, ranked No. 2 by The Associated Press, gain 484 of their 555 yards on the ground, an average of 7.4 yards per rush. Their touchdowns were produced by seven players.

Lawrence Phillips, the sophomore 1-back, who ran for a career-high 178 yards, was one of the seven.

Brendan Holbein, a sophomore split end who was struck by a stray bullet last weekend, played with extra padding to protect a 10-stitch wound, started for the first time and caught a 9-yard shovel pass from quarterback Tommie Frazier.

And Frazier, whose statistical production was beneath his standard — 29 rushing yards and 59 on 5 of 11 passes — directed the Husker offense with such skill that he inspired this assessment from UCLA coach Terry Donahue: "He's the type of player that makes our whole football team totally different. He's a Michael Jordan-type player that just makes such a difference in a game."

The No. 13 Bruins, with 2 victories and 1 loss, played without several injured regulars, including J.J. Stokes, their outstanding receiver.

Nebraska's overwhelming rushing game may not seem like

such a necessity on days like Saturday, when Memorial Stadium was covered in warm, cloudless sunshine and the thousands in bright red could dress in short sleeves.

But the Huskers are built for decisive moments in the November cold, and their powerful line, which created a 446-yard rushing average in its victories against the over-

## COLLEGE HIGHLIGHTS

matched West Virginia and Texas Tech, quickly became an important factor again.

With Frazier making the decisions, the line taking advantage of an average weight advantage of 23 pounds (10 kilograms), and wide receivers adding important blocks to Nebraska's precision, Phillips surpassed his career high in yardage for the second consecutive game. The Huskers gained 234 of their 284 first-half yards on the ground and scored on four consecutive possessions for a 28-7 lead.

Elsewhere, The Associated Press reported:

A bad day for quarterbacks — and their intended receivers — meant a good day for the defenses of Auburn, Colorado State and Virginia Tech and a narrow escape for Notre Dame.

In the most spectacular example of pass after pass going awry, LSU's Jamie Howard threw six interceptions, three of which were returned for TDs in the fourth quarter of 11th-ranked Auburn's stunning 30-26 victory.

The victory was courtesy of LSU's stubborn and seemingly inexplicable refusal to stop throwing the ball in the fourth quarter, even with a 23-9 lead.

With four interceptions, Ron Powhus was almost as off-target as Howard — 10-of-30 for 161 yards — but the Notre Dame quarterback still led two second-half scoring drives that rallied the eighth-ranked Irish past Michigan State, 21-20.

"I made some wrong reads, some stupid plays I shouldn't have done," Powhus said. "I tried to force a couple things. I should have taken what they gave me. But it turned out O.K."

A few other teams weren't so fortunate. BYU's John Walsh had four passes picked off by Colorado State in the Rams' 28-21 upset of the 22nd-ranked Cougars. Greg Myers had two of the interceptions, returning one for a touchdown.

As for the 18th-ranked Virginia Tech, its only touchdown against Boston College came on Torrian Gray's 66-yard interception return, one of four pickoffs by the Hokies in a 12-7 victory.

Auburn's defense not only scored all four of the Tigers' touchdowns, it also stretched the longest winning streak to 14 games.

Even after Auburn went ahead on Brian Robinson's 41-yard interception return with 1:55 to play, Howard still found time to throw two more interceptions.

No. 1 Florida 31, No. 15 Tennessee 0: In Knoxville, Tennessee, the Gators didn't equal their previous two 70-point performances, but Terry Dean still passed for 303 yards and two touchdowns.

Florida beat a ranked opponent on the road for the first time in eight tries since Steve Spurrier became coach. It was the first shutout in 13 years for Tennessee, which used three quarterbacks — starter Todd Helton and freshmen backups Peyton Manning and Brandon Stewart.

No. 3 Florida State 56, Wake Forest 14: In Winston-Salem, North Carolina, linebacker Derrick Brooks, returning from a two-game suspension, caused a fumble and blocked a punt for the Seminoles.

Brooks, suspended for taking part in a sporting goods shopping spree with a sports agent, didn't start the game. FSU's Danny Kannell hit 10 receivers in the first half, completing 18-of-24 for 177 yards, and Wake Forest trailed, 42-0, at halftime.

BYU's John Walsh had four passes picked off by Colorado State in the Rams' 28-21 upset of the 22nd-ranked Cougars. Greg Myers had two of the interceptions, returning one for a touchdown.

Archie scored Penn State's sixth touchdown 37 seconds into the second quarter on a 4-yard run for a 42-0 lead, and coach Joe Paterno pulled his starters soon after. Ki-Jana Carter had two TDs against the Hawkeyes.

No. 7 Colorado 55, No. 10 Wisconsin 17: In Boulder, Colorado, Khashan Salama ran for four touchdowns and Colorado converted four first-half interceptions into 17 points. Kordell Stewart threw two TD passes and accounted for 301 yards. Colorado won its sixth straight.

The 55 points were the most Colorado has scored against a ranked opponent and the most allowed by Wisconsin since 1988.

No. 12 Alabama 13, Arkansas 6: In Fayetteville, Arkansas, Jay Barker connected with Sherman Williams on a 73-yard scoring play late in the third quarter to make it 10-6. The Tide capitalized on a bad punt to set up Michael Proctor's 34-yard field goal in the fourth quarter that wrapped up the scoring. Arkansas managed only 267 yards of offense.



Jordi Cruyff, the son of Barcelona's coach, trying to control the ball against Espanol in a Spanish first-division match. Espanol dominated the injury-plagued Barcelona team but had two goals disallowed and the match ended in a 0-0 draw.

## Rome's Restaurateurs Beg for Less TV Soccer

Reuters

ROME — Restaurant owners here are sick of televised soccer and have asked Prime Minister Silvio Berlusconi to intervene to limit its effects on their trade.

"There are now few days of the week without one or more matches. We are under constant attack," wrote Giorgio Bodoni, the head of an association grouping 4,000 of the capital's restaurants, in a letter to the media tycoon Berlusconi.

"Soccer keeps our clients at home. We ask you to act," Bodoni said in a letter published by the daily newspaper Il Messaggero on Saturday. "Shift at least one of the matches, starting with the Saturday night game, away from dinner time."

Italian soccer fans were able to watch live soccer every night of last week except Monday and Friday. Matches from the various European competitions are now spread over three days, from Tuesday to Thursday, and a pay-TV channel broadcasts Italian league games live on Saturday and Sunday.

The World Cup star Roberto Baggio said that the growing number of matches shown on television was preventing fans from going to the stadium.

## 4 Killed in Crash of Plane Carrying Nigerian Players

Reuters

TUNIS — An airplane carrying Nigeria's soccer-club champions home from an African Champions' Cup match in Tunisia crashed in southern Algeria on Sunday, killing at least four people and injuring 24, Algerian radio reported.

One member of the Iwuanyanwu Nationale team, which lost 3-0, to the Tunisian team, Espérance, in Saturday's quarterfinal first leg in Tunis, was among the dead.

The plane, an Oriental Airlines BAC-111 flying from Tunis to Lagos with 32 passengers and seven crew members, crashed while attempting an emergency landing at Tamanrasset's airport, the radio and Algeria's official APS news agency said. Visibility was reported to have been poor.

Two men imprisoned on suspicion of ordering the murder in July of the Colombian World Cup soccer player Andrés Escobar have been ordered freed.

The murder of Escobar outside a restaurant in the drug center of Medellín, apparently in revenge for his accidental scoring of a goal against his own team, which helped eliminate Colombia from the World Cup, outraged the soccer world and cast a shadow over the tournament.

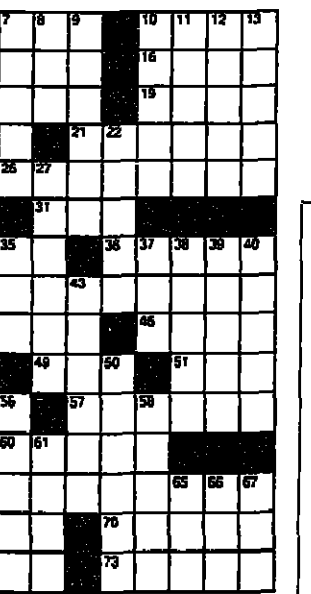
The Prosecutor-General's Office said there was not enough evidence to hold Juan and Pedro David Gallon Henao in jail and has ordered the brothers released, pending payment of 1.5 million pesos (\$1,800).

## CROSSWORD

ACROSS  
1 Impudent youngster  
6 Salesmen, briefly  
10 Impudent talk  
14 Cheap skate  
15 Beasts of burden  
16 Baseball's — brothers

17 1994 film role for Jim Carrey  
19 Movers' trucks  
20 More like winter sidewalks  
21 Singer Estetan  
23 Inge play  
25 Closest speak  
26 Nabokov novel  
28 Cliche  
31 Norse deity  
32 Film maker  
33 Window surrounding  
34 Fiery gems  
41 Photographer's instruction  
44 Rob  
45 Neophyte  
46 Paradise  
47 Wedding vow  
48 Soak (up)  
51 Actor Tognazzi  
52 By airmail from France  
57 Dealer in cloth  
58 "Twist"  
59 England's Scilly  
62 Call to the phone  
63 Happy camper?  
64 Kuwaji honcho  
65 Nile queen, for short  
70 Neutral shade  
71 Does lawwork  
72 Bakery bite  
73 Of the eyes

3 Just manage, with "out"  
4 Writer Ira of "Silver"  
5 Concise summary  
6 Old-fashioned learning method  
7 Long-distance commuter's home  
8 For each  
9 Full of obstacles  
10 "Stompin'" at the  
11 Wake-up noise  
12 Actress Braga  
13 "Black-eyed" girl  
18 Most hospitable  
22 "Vive —!" (old Peruvian cry)  
23 Becomes tiresome  
24 Ninny  
25 Tippy transportation  
27 Those not mentioned  
30 Arm art  
33 Letters before an alias  
35 Not outgoing  
37 Leading prefix  
38 Make sense  
39 Factual lord  
40 Man of the case  
42 — and wicking  
43 Bribe money  
46 Straightforward  
48 Magician's word



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## Solution to Puzzle of Sept. 16

CURATES HGWELLS  
ETAGERE ELATION  
ENTRANT LOYALTY  
SEA RIG TISOLATE  
AUGUST KRATIONS  
SNORE HAIR LOT  
ARAB WITTY DINO  
NIL IDEA COVEN  
AGLITTER NEGATE  
NEW SPINS  
ACCORDS ACT TIM  
DOOVERS UKRAINE  
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